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ABSTRACT

The purpose of this handbook is to assist counselors who are helping students apply for federal financial aid in the 1980-81 award period. Since most students seeking federal aid should begin by applying for a Basic Educational Opportunity Grant, that program is covered in more detail than the others. Chapter One offers an overview of the six major sources of federal student aid. Chapter Two contains an explanation of "Multiple Data Entry," the process that enables a student to apply for a Basic Grant by filling out either a U.S. Office of Education Basic Grant application or one of four other forms. The items used in calculating a student's eligibility index are explained in detail. This chapter is designed to answer most questions counselors may have about completing aid applications. Chapter Three explains the Student Eligibility Report (SER) and also explains the process by which an applicant corrects any wrong information on the SER. The final chapter deals with special cases, and explains procedures applicants should follow in a variety of circumstances. Also provided are important deadlines, addresses, and services offered by the Federal Student Information Center. Appendices include special instructions for applicants reporting from a Puerto Rican Tax Return and the 1980-81 Basic Grant Application. A special supplement is included that describes major changes in the Basic Grant forms for 1980-81: attached copies of the Basic Grant Application Form, Supplemental Form, Student Eligibility Report, and National Disaster Area Asset Revision Instruction Sheet are also provided. (LC)

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Counselor's Handbook

U.S. Office of Education

Bureau of Student Financial Assistance

November 1979

HE 012 820

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION
BUREAU OF STUDENT FINANCIAL ASSISTANCE
WASHINGTON, D.C. 20202

Dear Colleague:

We hope this Handbook will help you assist your students when they apply for financial aid. The Handbook contains general information on Federal student aid programs, a detailed discussion of the steps involved in applying for the Basic Educational Opportunity Grant, an explanation of the Student Eligibility Report, and a section on "Special Cases," which explains the procedures a Basic Grant applicant should follow in a variety of unusual circumstances.

Beginning with the 1978-79 academic year, students have been able to apply for a Basic Grant by filling out one of five different application forms:

- the College Scholarship Service's Financial Aid Form (FAF)
- the American College Testing Program's Family Financial Statement (FFS)
- the U.S. Office of Education's Basic Grant application
- the Pennsylvania Higher Education Assistance Agency (PHEAA) form
- the Student Aid Application for California (SAAC)

This procedure is referred to as "Multiple Data Entry" (MDE), and its purpose is to reduce the number of forms a student must fill out in order to apply for financial aid.

In the past, these "MDE" forms have differed in appearance, language, and amount of information collected. In an effort to simplify the financial aid application process, the Bureau of Student Financial Assistance has developed an improved form which will be used as the U.S. Office of Education's Basic Grant application and will also be the "core" of all the MDE forms. We hope this "core" document will make it easier for students to apply for financial aid, but we need your help to make it a success. Urge your students to complete one of the MDE forms, and work with them if they have difficulty.

I hope you will find this Handbook useful, and I look forward to working with you in the coming year.

Sincerely,

Thomas A. Butts
Acting Deputy Commissioner for
Student Financial Assistance

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COUNSELOR'S HANDBOOK

INTRODUCTION

This handbook is intended to assist counselors who are helping students apply for Federal financial aid in the 1980-81 award period. Since most students seeking Federal aid should begin by applying for a Basic Educational Opportunity Grant, that program is covered in more detail than the others.

Chapter 1 gives an overview of the six major sources of Federal student aid.

Chapter 2 contains an explanation of "Multiple Data Entry," the process which enables a student to apply for a Basic Grant by filling out either a U.S. Office of Education Basic Grant application or one of four other forms. The items used in calculating a student's Basic Grant eligibility index are explained in detail. This chapter should help counselors answer many of the questions students may ask about completing financial aid applications.

Chapter 3 explains the Student Eligibility Report (SER), which is the official notification of an applicant's eligibility for a Basic Grant. This chapter also explains the process by which an applicant corrects any wrong information on the SER.

Chapter 4 deals with "special cases," and explains the procedures a Basic Grant applicant should follow in a variety of unusual circumstances. It also includes a short list of other sources of information on student financial aid, as well as a list of important deadlines and addresses. Finally, it contains a brief explanation of the services offered by the Federal Student Information Center, which can be dialed toll-free from anywhere in the continental United States.

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CHAPTER I

FEDERAL STUDENT AID

The U.S. Office of Education (USOE) offers six programs to help students finance their education after high school:

Basic Educational Opportunity Grants (BEOG)

Supplemental Educational Opportunity Grants (SEOG)

College Work-Study (CW-S)

National Direct Student Loans (NDSL)

Guaranteed Student Loans (GSL)

Health Education Assistance Loans (HEAL)

General Information

1. Each of the programs falls into one of three categories: grants, loans, or employment. Grants are outright gifts of money; they do not have to be repaid. Loans are borrowed money which must be repaid with interest. Employment allows students to work and earn the money they need.

2. To be considered for aid from any of these programs, students must complete the application forms accurately and submit them on time. They are also responsible for checking the status of their applications to be sure that they have been processed.

3. Students must reapply annually. Aid from these programs is not automatically continued from one year to the next.

4. To apply under any of the programs, students must meet one of the citizenship requirements discussed on p. 3.

5. In order to receive aid from these sources, students must be enrolled in an eligible course of study at one of the more than 6,500 institutions participating in USOE financial aid programs. Not all institutions participate in all the programs. To check the eligibility of a school and its programs, as well as the availability of financial aid, students should contact the school's financial aid office.

6. Although the U.S. Office of Education determines the eligibility of a school for participation in USOE financial aid programs, the Government does not make judgments about nor endorse the quality or suitability of the education offered by the school. It is the student's responsibility to carefully evaluate the content and quality of the school and its curriculum.

7. Undergraduates may apply for any USOE program except HEAL, which is generally available to graduate students only. (However, in certain cases an undergraduate may be able to apply to HEAL also. The school's financial aid administrator can tell a student if he or she is eligible for a HEAL loan).

   Graduate students may apply for any USOE program except Basic Grants and SEOG (Supplemental Educational Opportunity Grants).

8. All of these programs set limits on the total amount of aid students can receive or the number of years they can receive it. It is important for students to know these limits so that they can make other plans for financing that part of their education which exceeds the limits.

9. To receive Federal aid, a student must: (a) be enrolled at least half-time in an eligible course of study at a school which participates in Federal Aid programs; (b) be making satisfactory progress toward the completion of his or her course of study; (c) not be in default on a National Direct Student Loan or Guaranteed Student Loan; and (d) not owe a refund on a Basic Grant or Supplemental Educational Opportunity Grant at that school.

10. If students transfer from one school to another, their financial aid does not automatically go with them. They must take the action necessary to continue receiving aid at the new school. As soon as possible, students should check with the financial aid officer at the new school to find out what aid will be available. A transfer student must request that a financial aid transcript from the old school be sent to the new school.

    - Students with Guaranteed Student Loans should check with the lender to be sure the loan can be continued at the new school.

    - Students with a Basic Grant must get a duplicate copy of their Student Eligibility Report to submit to the new school's financial aid officer.

    - Students with a National Direct Student Loan, a Supplemental Educational Opportunity Grant, or a College Work-Study job must reapply at the new school.

11. Aid received from any USOE program must be used only for educational purposes. Before students receive any money, they must sign and have notarized an affidavit stating that they will use the money only for such purposes. These include payments for tuition, fees, room, board, books, supplies, and other items related to their attendance at a particular school.

Citizenship

Title IV programs of student financial aid are domestic assistance programs. This means that to be eligible, a student must be a U.S. citizen, national, or permanent resident, or fall into one of the specific categories listed below. The Federal Government has granted people in these specific categories the same eligibility to Title IV aid as U.S. citizens. These requirements are the same for all Title IV programs.[1]

All U.S. citizens and nationals are eligible to apply for Title IV aid. U.S. citizens overwhelmingly make up the largest number of those people who may apply. U.S. nationals are a small category consisting only of inhabitants of American Samoa and Swains Island.

People who reside permanently in the Trust Territory of the Pacific Islands or the Commonwealth of the Northern Mariana Islands are permitted many of the privileges of U.S. citizens, including eligibility for Title IV aid.

The Trust Territory of the Pacific Islands includes the Marshall Islands and the Carolina Islands.

Generally, a person who is not a citizen of the United States is an alien. A permanent resident or immigrant is an alien who can remain in the U.S. indefinitely, own property, work, and move about without restriction as long as he or she complies with the laws relating to alien registration, change of address, and annual reports. Permanent residents of the U.S. may receive Title IV aid. As proof of permanent residence, a person must possess an Alien Registration Receipt Card (either Form I-151 or I-551).

Nonimmigrants are aliens who are not U.S. permanent residents but who are admitted to the U.S. for specific purposes and periods of time. Nonimmigrant aliens are generally required to carry Arrival-Departure Records (Form I-94). The I-94 must be endorsed to show the purpose of the visit and the period of the stay. A number of aliens who have I-94's are eligible for Title IV aid. They are listed below.

Refugees have been admitted to the U.S. for humanitarian reasons and are eligible for Title IV aid. The I-94 of a refugee will be endorsed with a term such as "refugee" to show that (s)he is a refugee. Southeast Asian refugees who were admitted to the U.S. since 1975 are, therefore, eligible for aid. Although the I-94 of a refugee will say that (s)he is a refugee, during the 1979-80 award period, a refugee who has an I-94 bearing an endorsement saying "conditional entrant status" or "indefinite parole" may apply for aid. Beginning with 1980-1981, however, a term such as "refugee" must appear on the I-94 of an eligible student who is a refugee.

Persons who have been granted asylum in the U.S. are eligible for Title IV aid. A person in the U.S. on asylum is granted permission to stay for one

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[1] Only U.S. citizens are eligible to receive Guaranteed Student Loans to attend eligible foreign institutions.

year. At the end of one year, permission to stay in the U.S. may be granted for an additional year upon request. At the end of the second year, that person may apply for permanent residence. The documentation to prove a person's asylum status varies throughout the U.S. However, to prove that (s)he is in the U.S. on asylum, a student need only provide some official type of documentation from the U.S. Immigration and Naturalization Service (INS) showing that (s)he is in the U.S. on asylum.

The last eligible category consists of aliens who have applied for permanent residence in the U.S. According to INS an alien who wishes to apply for permanent status must meet one of four requirements:

1) He or she must be married to a citizen.

2) He or she must be married to a lawful permanent resident.

3) He or she must be a close relative of a citizen or permanent resident.

4) He or she must have a definite job offer.

The procedure by which an alien became a permanent resident formerly involved submission of a petition to INS by a relative (for items 1, 2, and 3 in the preceding paragraph) or by an employer (for item 4) indicating that the alien met a condition for permanent residence.

Approximately three months after the petition was submitted, an approval notice was sent from INS stating whether or not the alien was found to meet one of the four requirements. In 1979-80 and prior award periods, nonimmigrant aliens are eligible for Title IV aid if they can furnish an approval notice stating that they meet one of the above four conditions. Either the I-171 or the I-464A is the appropriate approval notice. The approval notice simply states that the alien meets a condition to apply for permanent residence. After receiving the approval notice, an alien may submit a separate application for permanent residence when the U.S. quota restrictions for his or her country of origin permit.

Because of new INS procedures, the petition and application for permanent residence may be submitted simultaneously. In the case of a combined application and petition, the I-171 or I-464A will not be provided. In these cases, the student should have INS endorse his or her I-94 (Arrival-Departure Form), indicating "employment authorized" and "adjustment applicant." This endorsement fulfills the same requirement as an approval notice.

Beginning with the 1980-81 award period, an I-171 or I-464A are not sufficient for receipt of Title IV aid. The student must have submitted an application for permanent residence and have an I-94 bearing the endorsement "adjustment applicant." Because INS does not automatically provide this endorsement, it may be necessary for the student who has applied for permanent residence to request the endorsement from INS.

Students who are in the U.S. on F1 or F2 student visas or J1 or J2 exchange visitor visas are not eligible to apply for Title IV aid. The only exceptions would be if they also have Forms I-94 endorsed to show "adjustment applicant" (indicating they have applied for permanent residence) or if they are also permanent residents of the Trust Territory of the Pacific Islands or the Commonwealth of the Northern Mariana Islands.

Need

For the purposes of student financial aid, "need" is defined as the difference between the amount a family may be expected to contribute toward a student's education, and the total cost of that education.

Expected Family Contribution

The "expected family contribution" for any student is the amount that his or her family can reasonably be expected to pay to meet that student's educational costs. This determination is made based on annually reviewed and revised formulas which are applied to the information reported by all student applicants. All of these formulas take into account such things as a family's income, assets and family size as well as certain expenses and living allowances. While all of the formulas consider the same types of information, the treatment of that information may vary. Therefore, a student could provide the same information to two different agencies and get somewhat different amounts for his or her "expected family contribution."

It is also important to keep in mind that the "expected family contribution" is not the amount a family must pay in order to be eligible to receive financial assistance. It is a reasonable expectation of that family's ability to contribute toward a student's educational costs based on certain pre-set criteria.

Need Analysis Services

There are several private agencies which provide a service to students and institutions by collecting personal and financial information from students and families in order to calculate the "expected family contribution." The two largest and most commonly used by institutions are the American College Testing Program (ACT) and the College Scholarship Service (CSS). Since so many schools use either CSS or ACT, most students who are applying for Federal financial assistance will have to complete one of their forms. In order to simplify the process by which students apply for financial aid, the Basic Grant Program will accept information collected on the ACT and CSS forms to determine a student's eligibility for a Basic Grant.

The Program will also accept information collected on the Pennsylvania Higher Education Assistance Agency (PHEAA) application form, and on the Student Aid Application for California (SAAC). This process is called "Multiple Data Entry" (MDE) and is described in detail in Chapter 2.

Middle Income Student Assistance Act

The Middle Income Student Assistance Act (MISAA, enacted November 1, 1978, provides a substantial increase in financial aid available to students attending college or other postsecondary institutions. This Act significantly increased benefits for middle income students, while assuring that low income students also receive sufficient aid to pursue their educational goals.

Under the provisions of the new law, the Basic Educational Opportunity Grant program increased assistance to nearly 5 million middle and lower income students. MISAA broadened eligibility for the BEOG Program in the following ways:

- Increased the maximum award from $1,600 to $1,800.
- Increased the reserve against family assets from $17,000 to $25,000.
- Changed the percent of discretionary income that a family is expected to contribute to a child's education to 10.5 percent. In previous years, parents were expected to contribute 20 percent of their first $5,000 and 30 percent of all additional discretionary income for this purpose.
- Increased from $1,100 to $3,450 the single independent student's allowance for subsistence expenses before any contribution from income for educational expenses could be expected.
- Decreased to 5 percent the assessment rate for home and other assets for independent students with a family size greater than one. No assessment is made against the first $25,000 worth of assets.
- Provided the same asset reserve for independent students with dependents that is provided to the parents of dependent applicants.

In addition, MISAA also:

- Provided that all students receiving Guaranteed Student Loans be eligible for a Federal interest subsidy while they are in school, regardless of family income. Previously, only students with family incomes under $25,000 were eligible for this subsidy.
- Provided that disabled students in approved rehabilitation training programs be permitted to defer payment of their loans while in training.
- Waived the age requirement for veterans participating in special programs for students from disadvantaged backgrounds.

- Permitted educational expenses for dependent children in elementary and secondary schools to be considered in computing financial need in the College Work-Study and in the National Direct Student Loan Programs.

- Modified the eligibility requirements for the participation of proprietary schools in programs funded under the Higher Education Act. This amendment extends to proprietary schools the admission criteria now used by public and nonprofit private schools. Proprietary schools which admit non-high school graduates beyond the age of compulsory school attendance are now eligible for Higher Education Act funds.

Simplified Application Form

The Multiple Data Entry (MDE) process was implemented in 1978. This process enabled millions of students to apply for a Basic Grant without filing a separate Federal Basic Grant application. About 80 percent of the students who applied for a Basic Grant in 1978-79 applied by filing a form issued by one of the MDE processors--CSS, ACT, PHEAA, and SAAC. These agencies are also the MDE processors for the 1979-80 academic year. For both years, these agencies have used their own forms which are very different in appearance and number of data items collected. In addition, there is the Federal Basic Grant form which is also different.

In an effort to improve and simplify the delivery system for student financial aid, the Bureau of Student Financial Assistance has developed a simplified form which will be used as a "core" form by all the MDE Agencies in 1980-81.

This "core" document will also be the Federal Basic Grant application form for 1980-81. It will collect all the data necessary to generate the Basic Grant eligibility index as well as the expected family contribution. In addition, the "core" document will include a number of data elements to determine eligibility, help in packaging, and/or facilitate State and institutional coordination. The "core" document will also include "white space" for State overprints.

The simplified document was developed because of mounting evidence that the instructions on the application forms had grown too complex, and the layout of the forms was confusing. The difficult language and design of the forms led to students completing them inaccurately and even to students or parents being intimidated by them and never filling one out. Often the students and parents who have the most trouble with the complex design and sophisticated vocabulary are also those most in the need of aid. In the inner city, even if the student has a high school diploma, the parents may not--and indeed may be poor readers and inexperienced in filling out forms.

For example, approximately 500,000 students who were expected to apply for a Basic Grant in 1978-79 did not. Anecdotal information from financial aid administrators attributes this loss (at least in part) to the intimidating appearance of the forms.

In addition, the number of low-income ($0-$4000) students who applied for a Basic Grant decreased by over 25 percent in 1978-79. While there are a number of reasons for this, a considerable portion of the drop must be attributed to the complexity of the forms.

Finally, forty percent of the people who applied for a 1978-1979 Basic Grant were initially rejected because of missing or inconsistent information. There have been charges that this unacceptable reject rate was a result of edits which were unreasonably tight, and that students were rejected for trivial reasons. However, this is not the case. At least 80 percent of all rejects were for three primary reasons--lack of signature, lack of social security number, and missing or inconsistent income information. The income-related problem alone accounted for 60 percent of all rejects.

A 40 percent reject rate is totally unacceptable and the complexity of the forms is undoubtedly a factor. The fact that critical data elements are buried among non-essential items contribute to the difficulties students and parents experience in accurately completing these forms.

For those reasons, the Bureau of Student Financial Assistance committed itself to developing an application simplified in both layout and language for the 1980-81 award period. We hope it helps to solve the problems outlined above, but we realize that simplifying the form is not a panacea. We need the help of counselors and aid administrators. Urge your students to complete one of the MDE forms, and work with them if they have difficulty. Above all, tell them not to guess at information.

The 1980-81 application asks for specific figures from specific lines of the student's or his/her parents' 1979 income tax return. The student and parents who keep the tax return handy when filling out the application will rarely encounter any difficulty either in completing the form itself or getting it through the processing system. Other useful records students need in completing their applications are their W-2 forms and other records of money earned in 1979, current bank statements, current mortgage information, and records of nontaxable income received from the Social Security Administration, Veterans Administration and other agencies.

BASIC EDUCATIONAL OPPORTUNITY GRANTS (BEOG)

For most students, Federal student aid begins with Basic Grants, which provide a foundation of financial assistance to which other forms of aid may be added. A distinguishing feature of this program is its central concept of "entitlement," which guarantees that students who demonstrate need will receive a grant based on that need and on the cost of education at the postsecondary school they choose to attend.

Basic Grants for the 1980-81 award period (July 1, 1980 to June 30, 1981) will range up to $1,800, depending on the student's eligibility as determined by a standard formula.

To be eligible for a Basic Grant, a student must: (a) be determined to have financial need based on the Basic Grant eligibility formula and the cost of his or her education; (b) be an undergraduate who is enrolled at least half-time in an eligible program at an eligible institution; (c) meet the citizenship requirements discussed on page 3; and (d) not have used his or her full eligibility for Basic Grants.

In general, students may receive Basic Grants for four full years. However, they can receive a Basic Grant for up to one additional year if: (a) they are enrolled in a course of study designed by their school to require five years for a first degree; or (b) their school requires them to enroll in a non-credit remedial course of study of up to one year which will delay completion of a regular program.

Although most students are paid their awards through the school, the U.S. Office of Education determines their eligibility. The financial aid officer at the student's school uses a standard procedure established by the Office of Education to calculate the amount of the award. Financial aid officers cannot make any adjustments in the amount of a Basic Grant beyond those required by the calculation procedure.

A student's need is determined on the basis of a formula developed annually by the Office of Education and reviewed by Congress. This formula is applied consistently to all applicants and takes into account indicators of financial strength such as income, assets, family size, etc. The formula uses the information provided on the application to produce an eligibility index number. The number is not a dollar figure, but is used, along with the cost of the student's education, to determine the actual amount of the grant.

The use of a formula guarantees that all applicants are treated alike. It also means that the individual circumstances of students or their families cannot be taken into account. However, other Federal, State, and private student aid programs do allow a school's financial aid administrator to take into account special circumstances affecting an individual student.

CAMPUS-BASED PROGRAMS

The Supplemental Educational Opportunity Grant (SEOG), College Work-Study (CWS), and National Direct Student Loan (NDSL) Programs are referred to as "campus-based programs." Under these programs, institutions apply annually to the Office of Education for funds, receive these funds directly, and the financial aid administrator at each school determines which applicants are eligible and how much aid each applicant will receive.

While the Office of Education does set broad guidelines regarding the distribution of these funds, the individual schools set specific requirements and eligibility criteria.

Students can apply for aid under all three of these programs through the financial aid office at their schools, which can also provide them with application forms and specific information on eligibility requirements, deadlines, etc.

SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS (SEOG)

The Supplemental Educational Opportunity Grant Program is for students of exceptional financial need who without the grant would be unable to continue their education.

Students are eligible to apply if they are enrolled at least half-time as undergraduate or vocational students in an educational institution participating in the program. Graduate students are not eligible. An SEOG cannot be less than $200 or more than $1,500 a year. Normally, an SEOG may be received for up to four years. However, it may be received for five years when the course of study requires the extra time. The total that may be awarded is $4,000 for a four-year course of study or $5,000 for a five-year course.

No SEOG can be more than one-half of the student's total aid package. The balance must be made from other aid programs.

NATIONAL DIRECT STUDENT LOANS (NDSL)

The National Direct Student Loan Program is for vocational, undergraduate, and graduate students who are enrolled at least half-time in a participating postsecondary institution and who need a loan to meet their educational expenses.

Students may borrow up to a total of: (a) $2,500 if they are enrolled in a vocational program or have completed less than two years of a program leading to a Bachelor's degree; (b) $5,000 if they are undergraduates who have already completed two years of study toward a Bachelor's degree and have achieved third year status (this total includes any amount borrowed under NDSL for the first two years of study); and (c) $10,000 for graduate or professional study (this total includes any amount they borrowed under NDSL for undergraduate study).

Repayment begins nine months after the student graduates or leaves school for other reasons. Students may be allowed up to ten years to pay back the loan. During the repayment period they will be charged 3 percent interest on the unpaid balance of the loan principal. The amount of the repayment depends upon the size of the debt and ability to pay; but in most cases, students must pay at least $360 a year unless the school agrees to a lesser amount. This agreement for a lesser amount may be due to extraordinary circumstances such as prolonged unemployment.

No payments are required for up to three years while borrowers serve in the Armed Forces, Peace Corps, or VISTA. In addition, deferment is available any time the borrower returns to at least half-time study at an eligible institution.

There are loan cancellation provisions for borrowers who enter certain fields of teaching, or who teach in designated schools. If borrowers have any questions about the terms of the loan, repayment obligations, deferment or cancellation, they should contact the financial aid administrator at the school from which they received the loan.

COLLEGE WORK-STUDY (CW-S)

The College Work-Study program provides jobs for students who need financial aid and who must earn a part of their educational expenses. A student may apply if he or she is enrolled at least half-time as a vocational, undergraduate, or graduate student in an approved postsecondary institution.

An institution that participates in College Work-Study arranges jobs on-campus or off-campus with a public or private nonprofit agency. In arranging a job and assigning a work schedule, the financial aid administrator will take into account the student's need for financial assistance, class schedule, health, and academic progress.

In general, the salary will be based on the current minimum wage, but it may also be related to the type of work and the proficiency required. As with other campus-based aid, the work-study award is set by the aid office at a limit that cannot be exceeded. Thus, if a student has a $500 CW-S award, regardless of the hourly wage, once he/she receives the $500, he/she cannot continue to be employed under Work-Study for that academic year.

GUARANTEED STUDENT LOANS (GSL)

The Guaranteed Student Loan Program enables students to borrow from eligible lenders at a low interest rate to meet educational expenses, if they are attending a participating postsecondary school at least half-time. Banks, credit unions, savings and loan associations and other lenders participate voluntarily in GSL and lend their own funds. Lenders may choose to whom they will lend, within GSL eligibility guidelines. Students who visit lending institutions requesting a loan are generally more successful in obtaining a loan than students who merely telephone lenders.

In most States, loans are guaranteed by State or private nonprofit agencies. In States without such agencies, loans are insured by the Federal Government. Guarantee agencies may impose requirements stricter than those of the Federal program, and students not eligible for their State's guaranteed loans may be able to obtain a federally insured loan.

The maximum a student may borrow as an undergraduate is $2,500 a year. A graduate or professional student may borrow up to $5,000 per year (in some States these amounts may be less). The interest rate on these loans is 7 percent.

The total GSL debt that a borrower can have outstanding for undergraduate or vocational study is $7,500. The total for graduate or professional study is $15,000, including loans made at the undergraduate level.

Insurance Premiums

An insurance premium of up to one percent each year of the total loan outstanding may be collected in advance under a State or private guarantee agency program. An insurance premium of one-quarter of one percent will be collected for loans insured by the Federal Government. Usually this premium is collected at the time of disbursement by the lender.

Repayment

The loan must be repaid. Payments normally begin between 9 and 12 months after the borrower leaves school, and he or she is generally allowed from 5 to 10 years to repay the loan. Borrowers are expected to contact their lenders shortly after leaving school, to establish a repayment schedule. The amount of the payments depends upon the size of the debt and the ability to pay; but in most cases, the borrower must pay at least $360 a year unless the lender agrees to a lesser amount.

If a borrower defaults on a loan and a lender is unable to collect, the guarantee agency or Federal Government will take action to recover the loan. If he or she is discharged in bankruptcy, becomes totally and permanently disabled or dies, the Federal Government will discharge the insured loan obligation. This loan cannot be cancelled or "forgiven" for duty in the military services or for any teaching service.

Deferment

Borrowers do not have to make payments for up to three years while they serve in the Armed Forces, Peace Corps, or full-time volunteer programs conducted by ACTION (which includes VISTA, University Year for ACTION, ACTION Cooperative Volunteer Programs, Volunteers in Justice, and Program for Local Service). In addition, deferment is available any time the borrower returns to full-time study at an eligible institution or pursues a course of study under a graduate fellowship program approved by the Commissioner of Education. A single deferment for a period of not more than one year is also provided for students who are unable to find full-time employment.

HEALTH EDUCATION ASSISTANCE LOAN PROGRAM (HEAL)

The Health Education Assistance Loan Program provides federally insured loans to graduate students attending eligible schools of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry, podiatry, pharmacy, and public health. The loans are made by participating lenders, including banks, credit unions, savings and loan associations and educational institutions.

The maximum a student may borrow is $10,000 per academic year to a total of $50,000. Pharmacy students are limited to $7,500 per academic year to a total of $37,500.

Charges

There are two types of charges for a HEAL loan:

- Interest. THERE IS NO FEDERAL INTEREST SUBSIDY. Interest may not exceed 12% per year (ANNUAL PERCENTAGE RATE) on the unpaid balance of the loan.

- Insurance Premium. The insurance premium is 1/4 of 1% per year and will be charged in advance to cover the period from disbursement until nine full months after the student's anticipated graduation date.

Application

To apply for a HEAL loan a borrower must:

- Obtain an application from the student financial aid officer at a health professions school.

- After completing the borrower's section, have the school section completed by the student financial aid officer and submit the application to a participating lender.

Repayment

Repayment will begin nine full months after completion of formal training, including accredited internship and residency programs, or withdrawal from school. Borrowers have 10-15 years to repay the loan (excluding deferment periods).

Deferment

Repayment of principal can be deferred:

- For full-time study at a HEAL school or an institution of higher education that is participating in the Guaranteed Student Loan Program.

- For up to three years for internship or residency training, service in the Armed Forces, Peace Corps, ACTION, or the National Health Service Corps.

The United States Government is entitled to recover damages on any breach of obligation entered into under a Federal payments for service contract.

For further information contact

HEAL
Post Office Box 23033
L'Enfant Plaza
Washington, D.C. 20024

CHAPTER 2

APPLYING FOR A BASIC GRANT

Students can apply for a Basic Grant by filling out any one of five application forms:

- The College Scholarship Service's Financial Aid Form (FAF)
- The American College Testing Program's Family Financial Statement (FFS)
- The U.S. Office of Education's Basic Educational Opportunity Grant (BEOG) application
- The Pennsylvania Higher Education Assistance Agency's Application for State Grant and Basic Grant (PHEAA)
- The Student Aid Application for California (SAAC)

However, if students wish to be considered for other forms of Federal aid besides Basic Grants, they will have to have their family's expected family contribution determined by means of an approved need analysis system. The school the student attends will use that analysis as a guideline in distributing aid from the campus-based Federal programs (SEOG, NDSL and CW-S). Since there are a number of approved need analysis systems, students should contact the financial aid officer at each school they are considering to make sure of which form to complete. In most cases it will be either the FAF or FFS.

Recognizing this, the U.S. Office of Education has requested that a box be added to these forms (as well as the PHEAA and SAAC) which the student can check to indicate that he/she wishes to have the financial information on that form forwarded to the Basic Grant processing center. This procedure is referred to as "Multiple Data Entry (MDE)," and its purpose is to reduce the number of forms necessary to be filed to apply for financial aid.

There is no charge for applying for a Basic Grant. However, there is a small charge for using either the FFS, FAF or SAAC to have expected family contribution determined for other aid. If a student uses those forms to apply only for a Basic Grant there is no charge.

No matter which form students use to apply for a Basic Grant, they must complete the form carefully, accurately, and legibly. Failure to do so will cause delays in processing the application. Students must also send the completed application to the address specified. Sending it to another location will delay the processing.

The Basic Grant application packet will include a postcard. If the student submits the postcard with the application, it will be returned and it will indicate the approximate date he or she will receive the Student Eligibility Report (SER), which is the official notification of eligibility for Basic Grants. If the student does not receive the postcard within a month after sending in the application, he or she should submit another application. The other forms do not provide a postcard. However, students should receive an SER about six weeks after filing any of the applications.

Basic Grant regulations require that actual 1979 income information be used. Therefore, no one can apply before January 1, 1980. However, after that date, actual data is available, even if it has not yet been written down on a tax form. Thus, a student can apply before the tax return is actually submitted. He/she would report the information that will be entered on the tax return. Note, however, that this information must correspond to the information that is eventually entered on the tax return. The student may be required to document the information reported with a copy of the 1979 tax return (and other documentation) before financial aid is awarded.

Validation

The Basic Grant program has an ongoing process of validating the information which students and parents report on their Basic Grant applications.

Applicants who are selected for this validation process will be required to present to their financial aid officers certain documents, such as a Federal Income Tax Return 1040 or 1040A, W-2 statements, and statements of household size and number of household members in college, as well as the amounts reported for Social Security benefits and Veteran's benefits. If discrepancies exist, applications may be required to provide further information.

Once the financial aid officer receives these documents and has determined that the information reported on the application is accurate, the student's award will be calculated and payment will be made. If any of the information reported on the application is inaccurate, the financial aid officer will require the student to correct the inaccurate data before payment can be made.

Action will be taken against applicants who knowingly misreport data. The Basic Grant application form requires students to submit documentation of the information they report to the U.S. Office of Education upon request by the Commissioner of Education. Failure to provide documentation may result in cancellation of the entire Basic Grant award.

Eligibility for a 1980-81 Basic Grant will be determined on the basis of the 1979 income information. That information, and all other information on the application, must be accurate. The key to success, therefore, is the 1979 IRS tax return. Since each application form asks for specific figures from specific lines of the 1979 tax return, the student and parents who keep the tax return handy as they fill out the application will rarely encounter any difficulty either in completing the form itself or in getting it through the processing system.

Other useful records are:

- o W-2 forms and records of money earned in 1979
- o Current bank statements
- o Current mortgage information
- o Records of medical or dental bills that were paid in 1979
- o Business or farm records
- o Records of veterans benefits or Social Security payments

If an applicant guesses at numbers and amounts, the edit checks in the processing system will require the figures to be confirmed or corrected. This will mean a processing delay of up to a month or more.

This year all the MDE forms have the same "core." This means that the layout, the item numbers, and the instruction language are virtually the same for all the MDE forms except the FFS. The FFS is a computer-scanned form and thus is necessarily different in appearance.

The material below is a section-by-section, item-by-item discussion of the "core" form.

STUDENT INFORMATION

Citizen Status

FAF/BEOG/PHEAA/SAAC-6 FFS-8

Like the other financial aid programs mentioned in this Handbook, Basic Grants is a domestic assistance program. In order to be eligible, a student must be:

- o A U.S. citizen
- o A. U.S. National (a national is an inhabitant of American Samoa or Swain's Island)
- o A U.S. Permanent Resident holding an Alien Registration Receipt card (Form I-515 or I-551)
- o A non-citizen whose I-94 (Arrival-Departure Record) is endorsed with:
  - a) "Refugee" or a similar term, or
  - b) "Adjustment applicant." (Note that the Immigration and Naturalization Service (INS) does not automatically provide this endorsement. The applicant should request it).

- o A non-citizen with an official statement that he or she has been granted asylum in the U.S.

- o A permanent resident of the Trust Territory of the Pacific Islands (the Marshall Islands and the Carolina Islands).

- o A permanent resident of the Commonwealth of the Northern Mariana Islands

In general, students in the U.S. on F1 or F2 student visas, or J1 or J2 exchange visitor visas, are not eligible to apply for any of the aid programs mentioned in this Handbook. The only exceptions would be the student who has one of the visas and also has a form I-94 endorsed with "adjustment applicant" or also is a permanent resident of the Trust Territory or the Northern Mariana Islands.

Note that the requirements above are in effect for the 1980-81 award period. There are two groups of students who will not be eligible in 1980-81, but who are eligible in 1979-80. These are:

- o Students holding Form I-171

- o Students holding Form I-464A

Both these forms are approval notices stating that the individual meets one of the conditions under which an alien can apply for permanent residence. When U.S. quota restrictions permit, he or she can submit an application for permanent residence when U.S. quota restrictions for his or her country permit. Beginning with the 1980-81 award period, the I-171 and I-464 are not acceptable. The student must have submitted an application for permanent residence and have an I-94 endorsed with "adjustment applicant." See pp. 3-5 for a complete discussion of citizenship.

Bachelor's Degree

FAF/BEOG/PHEAA/SAAC-9 FFS-10

This question asks whether the applicant will receive a bachelor's degree before July 1, 1980. If the answer is yes, the applicant is automatically ineligible, since Basic Grants are available only to those students without a bachelor's degree.

If a student has a degree from a foreign school, and that degree is comparable to a U.S. bachelor's degree, he or she is ineligible. Comparability is measured in large part on the total years of education leading to the foreign degree.

The admissions office or foreign student service at the student's school may already have the guidelines necessary to determine the eligibility of students with degrees from abroad. For further assistance in determining whether a student with a foreign degree is eligible to receive a Basic Grant, contact:

Division of International Education
U.S. Office of Education
ROB-3 Room 3915
400 Maryland Avenue S.W.
Washington, D.C. 20202

STUDENT STATUS

Dependent/Independent

FAF/BEOG/PHEAA/SAAC-11,12,13 FFS-13,14,15

The questions in this section determine whether the applicant must file as a dependent or independent student. Independent students do not need to supply parental income information; dependent students must. The questions are:

Did or will the student live with the parents for a total of more than six weeks in 1979 or 1980?

Did or will the parents claim the student as a tax exemption in 1979 or 1980?

Did or will the student receive more than $750 worth of assistance from the parents in 1979 or 1980?

A "yes" answer to one or more questions means the applicant must use the parents' income, regardless of his/her current relationship with them. The few specific exceptions to this rule are discussed in Chapter 4, "Special Cases."

"Parent" is defined as the applicant's natural or adoptive parent, or in certain cases (See "Special Instructions" below) as the spouse of a natural or adoptive parent. No one else (a foster parent or a legal guardian, for example) is considered a "parent."

Applicants who answer "no" to all the dependency questions are considered independent and file using only their own income information.

A "yes" answer to any question for any year means the student is dependent and must supply parental income information--regardless of his or her present relationship with the parents.

SPECIAL INSTRUCTIONS

Death

- If a parent dies after the filing of a 1979 tax return but before the student applies for a Basic Grant, only the income of the living parent should be reported, even though the tax return shows both parents' income.

- If a parent dies after the student has applied for a Basic Grant, a Supplemental Form should be filed (see Chapter 4).

Divorce or Separation

- If a divorce or separation occurs before the student applies, the student should report the income of the parent with whom he/she spent the greater portion of time during the 12 months preceding the date of application. If the student did not live with either parent, or spent an equal amount of time with each parent, the student should report the income information of the parent who provided the most support in the 12 months preceding the date of application.

- If the divorce or separation occurs after the student applies, a Supplemental Form should be filed (see Chapter 4).

Remarriage

- If the applicant's parent remarries, the step-parent's income information must be reported if the applicant did or will live with the step-parent (and parent) for a total of more than six weeks during 1979 or 1980; or if the applicant did or will receive more than $750 worth of financial assistance from the step-parent in 1979 or 1980. Note that there are no exceptions to this rule. Disclaimers of support from the step-parent are not acceptable.

HOUSEHOLD INFORMATION

Parents' Household Size

FAF/BEOG/PHEAA/SAAC-17 FFS-42

This number should include the parents and all dependent children (including the applicant) for whom the parents will provide more than half support between July 1, 1980 and June 30, 1981. Other persons should be included only if, on the date of application, they are living with and receiving more than half support from the parents.

Number in College or Other Postsecondary School (Dependent students)

FAF/BEOG/PHEAA/SAAC-18 FFS-43

This number should include all members in the household (see above) who will be enrolled in postsecondary school at least half-time between July 1, 1980 and June 30, 1981. "Half-time" means at least 6 credits per term. If the school measures progress by clock hours, it means at least 12 clock hours per week.

Student (and spouse's) Household Size

FAF/BEOG/PHEAA/SAAC-19 FFS-35

This number should include the student, spouse, and all dependent children who will receive more than half support from the student (and spouse) between July 1, 1980 and June 30, 1981.

Other persons for whom the applicant (and spouse) will provide more than half support should be included only if they are living in the household at the time of application. If the applicant plans to marry, the future spouse should not be included in household size.

Number in College or Other Postsecondary School (Independent students)

FAF/BEOG/PHEAA/SAAC-20 FFS-36

This number should include all members in the household (see above) who will be enrolled in a postsecondary school at least half-time between July 1, 1980 and June 30, 1981.

"Half-time" means at least 6 credits per term. For schools which measure progress by clock hours, it means at least 12 clock hours per week.

INCOME AND EXPENSE INFORMATION

U.S. Tax Return Filed?

FAF/BEOG/PHEAA/SAAC-21 FFS-16,44

Applicants (or parents) who did or will file a 1979 tax return should check "yes." They must answer the next several questions which ask for specific figures from specific lines of that return.

The instructions on each of the Multiple Data Entry Forms direct applicants (and parents) who answer "no" to skip that series of questions, since they do not apply.

Estimated or Actual Tax Return Figures

FAF/BEOG/PHEAA-SAAC-22 FFS-17,45

This item indicates whether the financial information on the form is estimated, or is taken from a completed tax return. Estimated information must correspond exactly to the information entered on the tax form and submitted to IRS. The student may be required to document the information reported with a 1979 tax return (and other documentation) before any aid payments are made.

Total Number of Exemptions Claimed

FAF/BEOG/PHEAA/SAAC-23 FFS-18,46

This item should contain the figure from line 7 of IRS Form 1040 or line 6 of Form 1040 A. Counselors should note that this number may differ from the number given for "household size."

Adjusted Gross Income

FAF/BEOG/PHEAA/SAAC-24 FFS-19,47

The figure on line 31 of Form 1040 or line 11 of Form 1040-A must be entered in this item. If an applicant (or parent) has not filed a U.S. income tax form, but has made money in another country, the figure most nearly equivalent to "adjusted gross income" should be reported here, and expressed in dollars rather than in foreign currency. For convenience, the current rate of exchange may be used.

Tax Paid

FAF/BEOG/PHEAA/SAAC-25 FFS-20,48

The amount here must be the Federal Income tax paid for 1978, and not the amount withheld on the W-2 form. This amount is on line 47 of the IRS form 1040, or line 13 of IRS Form 1040-A. If no tax was paid, a zero should be entered. Again, if the information is being taken from a foreign tax return, the "tax paid" figure should be expressed in dollars.

Itemized Deductions

FAF-26 BEOG-26 FFS-21,49 PHEAA- SAAC-26

If deductions were itemized, this item should contain the figure from Form 1040, Schedule A, line 39. If deductions were not itemized, the applicant should enter "0".

Expected 1980 Adjusted Gross Income (Parents)

FAF/BEOG/PHEAA/SAAC-27 FFS-63

This item asks for an estimate of the figure that will be on line 31 of IRS Form 1040 or line 11 of Form 1040-A in 1980. Note that this item applies only to parents of dependent students. Parents are asked to estimate their income for the 1980 calendar year; students are asked to estimate their income for the 1980-81 academic year (July 1, 1980-June 30, 1981).

Income Earned from Work (1979)

FAF/BEOG/PHEAA/SAAC-28 FFS-22,23,50,51

In general, "income earned from work" refers to wages, salaries, tips, and farm or business income. For most applicants, these figures would simply be the amounts reported on line 8, 13, and 19 of IRS Form 1040 or line 7 of 1040 A.

However, there are instances when income that need not be reported to IRS must be reported as taxable or earned income when applying for a Basic Grant. For example, if the parents or applicant do not file a 1979 tax return because their income is so low they do not have to, they would still report that income when applying for a Basic Grant. If the parents (or applicant) earned their 1979 income overseas and did not file a 1979 tax return, they would nonetheless report that income when filing for a Basic Grant. Thus, although all the application forms are keyed to the 1979 tax form, they are not limited to it.

Nontaxable Income-Social Security Benefits

FAF/BEOG/PHEAA/SAAC-29a FFS-24,52

Dependent students should include all social security benefits they and their parents receive directly. This includes all benefits received directly by the parents for children other than the applicant.

Independent students should include all social security benefits they (and spouses) receive directly for themselves and for their children.

Periodically, two questions about reporting Social Security benefits are raised. The first is: "I received more Social Security than I should have in 1979, and now I must give back the overpayment. What amount should I report on my application?" The answer is this: The applicant should report the amount of money he or she (or the parents) was entitled to receive, not the amount actually received because of the overpayment. Since that amount must be returned, it never really belonged to the applicant and never should have been spent.

The second question is this: "I was underpaid in 1978, and I received more Social Security than usual in 1979 because I was paid the amount that was owed me from 1978. What do I report on my application?" In this case, the actual amount received is reported, since those funds did belong to the applicant.

Other Nontaxable Income

FAF/BEOG/PHEAA/SAAC-29b FFS-25,53

This item includes:

- Welfare benefits

- o Child support
- o Unemployment compensation (excluding those amounts reported in the adjusted gross income item)
- o Veterans benefits except educational benefits. Include Death Pension and Dependency and Indemnity Compensation (DIC) benefits.
- o Interest on tax-free bonds
- o Untaxed portion of pensions and capital gains
- o Living and housing allowances (cash payments or value)
- o Earnings from work that are not reported on a U.S. income tax return
- o Any other income not reported in any other item.

Medical and Dental Expenses not Paid by Insurance

FAF/BEOG/PHEAA/SAAC-30 FFS 26,54

If those expenses were itemized on the tax return, the total of lines 2 and 6 of Form 1040, Schedule A, should be entered in this item. Otherwise, this amount should reflect the total medical and dental expenses, for 1979 that were not covered by insurance. Note that insurance premiums cannot be included in this figure.

Elementary, Junior High, and High School Tuitions

FAF/BEOG/SAAC/PHEAA-31 FFS-27,55

This item lists the amount paid for elementary, junior high, and high school tuition in 1979. Amounts covered by scholarships cannot be reported, nor can amounts paid for the applicant.

Expected 1980 Nontaxable Income (Parents)

a) Social Security Benefits

FAF/BEOG/PHEAA/SAAC-32a FFS-64

This item should contain an estimate for 1980 of the same type of income requested for 1979 in FAF/BEOG/PHEAA/SAAC item 29a above.

b) Other Nontaxable Income (Parents)

FAF/BEOG/PHEAA/SAAC-32b FFS-65

This item should contain an estimate for 1980 of the same type of income requested for 1979 in FAF/BEOG/PHEAA/SAAC item 29b above.

ASSET INFORMATION

Note that funds received as an award under the Distribution of Judgment Funds Act or the Alaska Native Claims Settlement Act should not be reported as either income or assets.

Property should not be reported if: a) it cannot be sold or used as collateral without the consent of the Secretary of the Interior or b) if it is held in trust by the U.S. Government.

Cash, Savings, and Checking Account

FAF/BEOG/PHEAA/SAAC-34 FFS-28,56

This figure should include cash on hand, as well as amounts in checking and savings accounts on the day the application is signed.

Home Value/Debt

FAF/BEOG/PHEAA/SAAC-35 FFS-29,30

Home value is the present market value of the home, not the assessed value or the original purchase price. The amount owed on the home should include all unpaid mortgages, as well as unpaid home improvement loans and any other loans for which the home is used as collateral. The total interest on the mortgage should not be reported.

Investments and Real Estate Assets/Debts

FAF/BEOG/PHEAA/SAAC-37 FFS-31,32,59,60

This figure should include the value of all stocks, bonds, securities, and real estate (excluding the home), and the debts against them. Trust funds which are legally inaccessible should not be reported. Note that personal or consumer debts cannot be listed in these items.

Business and Farm Assets/Debts

FAF/BEOG/PHEAA/SAAC-37 FSS-33,34,61,62

The amount reported as business and farm assets should be the current market value of all property used in the operation of a business or farm, including land, inventories, machinery and other equipment, buildings, patents, franchise rights, and copyrights. Debts reported should include unpaid mortgages, improvement loans, and debts for which the farm or business was used as collateral.

Students' (and Spouses') Savings and Assets

FAF/BEOG/PHEAA/SAAC-38 FFS-38

Only dependent students will complete this item, since independent students will already have given this information in the items above.

This figure should include the value of the dependent student's cash, savings, and checking accounts, and the market value-- minus the debts against them--of a home or other real estate, investments, business or farm owned by the applicant (and spouse).

STUDENT (AND SPOUSE'S) ESTIMATED INCOME

Note that while parents are asked to estimate income for the 1980 calendar year, students are asked to estimate income for the 1980-81 academic year (July 1, 1980- June 30, 1981).

Estimated Social Security Benefits

FAF/BEOG/PHEAA/SAAC-39-70 FFS-70

The applicant should list the monthly amount he or she expects to receive, and the number of months in the 1980-81 academic year he or she will receive it. The spouse's expected Social Security benefits should not be listed here; they will be estimated in the "Other Nontaxable Income" item.

Estimated Veterans Educational Benefits

FAF/BEOG/PHEAA/SAAC-40 FFS-71

The applicant should list the monthly amount and the number of months he or she expects to receive Veterans Educational benefits in the 1980-81 academic year. Note that only benefits from the G.I. Bill and Veterans or Dependents Educational Assistance Programs should be listed here. Amounts received from Death Pensions or from Dependency and Indemnity Compensation (DIC) benefits should be reported in the "other Nontaxable Income" item below.

Estimated Other Nontaxable Income (Student and Spouse)

FAF/BEOG/PHEAA/SAAC-41 FFS-72

In this item should be listed the total amount of nontaxable income the student (and spouse) will receive in the 1980-81 academic year. This figure should include:

- Welfare benefits
- Child support

- o Unemployment compensation (Do not include any amount here that will be reported in the "Estimated Taxable Income" item).
- o Spouse's Social Security Benefits
- o Veterans benefits (Death Pension and Dependency and Indemnity Compensation (DIC) benefits should be included here, as well as other veterans benefits not listed in the "Estimated Veterans Educational Benefits" item.
- o Interest on tax-free bonds
- o Untaxed portions of pensions and capital gains
- o Living and housing allowances (cash payments or value)
- o Any other income not reported elsewhere that is not subject to income tax

No student aid funds should be included in this item. If the applicant has an educational loan, grant, scholarship, or workstudy job, he or she should not include those amounts in this item.

Estimated Taxable Income (Student and Spouse)

FAF/BEOG/PHEAA/SAAC-42 FFS-66,67,68,69

This item asks the student to estimate the wages, salaries, tips, interest, and dividends, as well as any other taxable income that he or she will receive for the 3-month summer of 1980, and then for the 9-month 1980-81 school year. If the applicant is married, these two estimates must be made for the spouse as well.

Institution, Release, and Certification

Institutions

FAF/BEOG/PHEAA/SAAC-43 FFS-77

In this item, a student may list the names of two schools he or she is considering for 1980-81. The student's name will be added to a roster sent to each of those schools. Schools use these lists of prospective aid recipients to help plan their financial aid allocations.

Students can leave this question blank if they wish. Students can use their Basic Grant at any participating institution whether or not they list its name in this item. It is not necessary to notify the Office of Education if a student chooses to attend a school not listed in this item.

Release

FAF/BEOG/PHEAA/SAAC-44 FFS-76

Checking "yes" to part A of this item authorizes the Basic Grant Program to send information from the application to the student's State financial aid agency. This item is important because some States will be using the information provided on the Basic Grant application form to determine student's eligibility for their State financial aid programs, to verify data on State student aid application forms, or to conduct research. These States will sign an agreement with the Office of Education protecting the confidentiality of all information received.

Checking "yes" to part B of this item authorizes the Basic Grant Program to send all the information on the application form to schools the student has listed on the form. The schools may use this information to help them package student financial aid resources.

Certification Statement and Signature

FAF/BEOG/PHEAA/SAAC-45 FFS-78

The application form must be signed by the applicant. All dependent students' applications must also have a parent's signature or the application form will not be processed.

Unless all persons for whom financial information is reported certify the validity of the information submitted and agree to provide supporting documentation if requested, the application will not be processed. No portion of the certification statement may be crossed out or modified.

There may be circumstances where it will not be possible for an applicant to obtain a parental signature on the application. Under certain specfic conditions a third party (a financial aid officer or high school guidance counselor) may sign the application in place of the parent. This is permissible only under the following conditions: (1) parent(s) are not currently in the United States; (2) current address of the parent(s) is not known: (3) parent(s) has been determined physically or mentally unable to provide a signature. There is no exception to the signature requirement when the parent refuses to provide necessary financial information, or for the case in which the applicant feels that a financial relationship no longer exists. Parental information--and therefore parental signature--must be provided when an applicant checks "yes" to any of the dependency questions.

CHAPTER 3

THE STUDENT ELIGIBILITY REPORT (SER)

After the application is processed, the student will receive a Student Eligibility Report (SER), which is the official notification of his or her eligibility index number. The lower the number, the higher the award will be. In order for a student to receive a Basic Grant, the SER must be correct and complete.

There are four sections on the SER:

Section 1 contains the student's eligibility index number. If it is 1600 or lower, the student is eligible for a Basic Grant. This section also contains important information about the student's application.

Section 1 may contain comments requesting additional information from the student. If it does, he or she must provide it promptly. This section may also list certain assumptions about the applicant that were made in calculating the eligibility index number. If any of the assumptions are wrong, the SER is not valid until it is corrected.

Section 2 contains all the information from the application which was used in calculating the eligibility index. The student should review each item in this section to make sure it is correct.

Section 3 will be completed by the financial aid administrator at the student's school after he or she has enrolled. The "Expected Disbursement" box in this section will contain the actual amount of the student's award.

Section 4 is a certification statement. If the student changes information in section 2, or gives information in Section 1, he or she (and parent, if dependent) must sign this statement before mailing the SER to the Basic Grant processing center in Iowa City. If the certification statement is not signed, the new or additional information will not be processed.

When the student receives the SER, he/she should review it carefully, paying particular attention to Sections 1 and 2. Section 2 must be correct as of the date the student signed the application, or it will not be considered valid and the student will not receive the Basic Grant award.

The instructions in Section 1 must be carefully followed. If additional information is requested, it must be provided. In addition, certain assumptions may have been made about the application. These assumptions will be listed in Section 1 of the Student Eligibility Report. If any assumption is incorrect, the SER is not valid until it is corrected.

Section 1 of the SER will contain one or more computer-printed messages indicating one of five things:

1. The eligibility has been calculated.

2. The eligibility has been provisionally calculated pending a check of the application information. This check will be conducted by the financial aid office at the school the student will attend.

3. The eligibility has not been calculated, and either further information is needed, or existing information must be confirmed or corrected.

4. The SER is being sent as a "reminder" to the student that he or she has not yet responded to a previous request to correct or confirm information, or to supply additional information.

5. The student has already filed an original application, and this SER is the result of filing a subsequent application.

Each of these possibilities is discussed below:

Eligibility is calculated. If the student is eligible, he/she will receive an SER with a message in Section 1 similar to this one.

* *

YOU ARE ELIGIBLE TO RECEIVE A BASIC GRANT (BEOG) IN 1980-81. SUBMIT ALL THREE COPIES OF THIS REPORT TO THE FINANCIAL AID OFFICE AT YOUR SCHOOL NOW. THEY WILL CALCULATE YOUR GRANT BASED ON YOUR ELIGIBILITY INDEX OF _____ AND THE COSTS AT THAT SCHOOL. A LOWER ELIGIBILITY INDEX RESULTS IN A HIGHER GRANT.

BASED ON YOUR ELIGIBILITY INDEX OF _____, YOUR BASIC GRANT (BEOG) AWARD COULD RANGE FROM _____ TO _____, DEPENDING ON YOUR COST OF EDUCATION AND IF YOU ATTEND A SCHOOL FOR A FULL ACADEMIC YEAR ON A FULL-TIME BASIS.

* *

The award estimated in Section 1 is an estimate, not a promise. Frequently, the actual award will be lower. The estimate is the maximum amount the student can receive. It will be accurate only if he/she attends full-time for a full year at an institution where the tuition and fees, plus room, board, books, supplies, and miscellaneous expense allowances, are over $3,600.

If the applicant is not eligible, he/she will receive an SER with a message in Section 1 similar to this one:

--YOU ARE NOT ELIGIBLE TO RECEIVE A BASIC GRANT (BEOG) IN 1980-81. YOUR ELIGIBILITY INDEX IS _____ BASED ON THE FORMULA APPLIED TO THE INFORMATION SUBMITTED ON YOUR APPLICATION. AN APPLICANT'S ELIGIBILITY INDEX MUST BE LESS THAN 1601 TO BE ELIGIBLE FOR A GRANT. SUBMIT THIS REPORT TO YOUR FINANCIAL AID OFFICE AT YOUR SCHOOL SINCE YOUR SCHOOL MAY NEED IT FOR THEIR RECORDS, AND ASK ABOUT OTHER STUDENT AID PROGRAMS FOR WHICH YOU MAY BE ELIGIBLE.

Ineligibility for a Basic Grant does not automatically disqualify an applicant from other Federal aid programs. However, before schools award aid from these programs, they need to know what the student's Basic Grant eligibility index number is. It is therefore important for ineligible students to save their SERs because their school may need these reports in order to award other aid.

As noted earlier, the SER repeats the information on the application. This information should be checked carefully, since if it is incorrect, the student's eligibility will have been calculated with the wrong information. Procedures for correcting the SER are discussed on page 33 of this Chapter.

Eligibility is provisionally calculated. Approximately 10% of the 1980-81 Basic Grant applications will receive an SER with a message in Section 1 similar to this one:

--YOUR APPLICATION HAS BEEN SELECTED FOR REVIEW AND PAYMENT OF A BASIC GRANT (BEOG) WILL NOT BE MADE UNTIL YOU PROVIDE DOCUMENTS THAT VERIFY YOUR OR YOUR FAMILY'S FINANCIAL SITUATION. YOU MUST SUBMIT THIS REPORT IMMEDIATELY TO YOUR FINANCIAL AID OFFICE AT THE SCHOOL YOU PLAN TO ATTEND DURING ACADEMIC YEAR 1980-81.

* *

YOU ARE ELIGIBLE TO RECEIVE A BASIC GRANT (BEOG) IN 1980-81. SUBMIT ALL THREE COPIES OF THIS REPORT TO THE FINANCIAL AID OFFICE AT YOUR SCHOOL NOW. THEY WILL CALCULATE YOUR GRANT BASED ON YOUR ELIGIBILITY INDEX OF _____ AND THE COSTS AT THAT SCHOOL. A LOWER ELIGIBILITY INDEX RESULTS IN A HIGHER GRANT. NOTE: YOU MUST MEET ALL ELIGIBILITY REQUIREMENTS IN ORDER TO RECEIVE YOUR BASIC GRANT PAYMENT.

* *

Selection for "validation" does not mean that the student is ineligible. It does mean that the student must document the information on the SER before he/she receives any Basic Grant payment. The student will receive a validation form in the mail, which he/she (and parents, if the student is dependent) should complete according to instructions. He/she should bring the completed form, together with the documents necessary to verify the information on the SER, to the financial aid officer at the school. The validation will be conducted at the school by the financial aid officer. If any incorrect information is found, the student will have to correct the SER before a disbursement can be made.

Eligibility is not calculated. If the student does not supply all the information necessary to calculate his/her Basic Grant eligibility, or if the information contains apparent inconsistencies, the student will receive an SER with message similar to this one:

--ADDITIONAL INFORMATION IS NECESSARY TO DETERMINE YOUR ELIGIBILITY FOR A BASIC GRANT (BEOG). YOU MUST IMMEDIATELY:
*PROVIDE THE INFORMATION REQUESTED BELOW
*SIGN THE CERTIFICATION STATEMENT IN SECTION 4.
*MAIL THE COMPLETED, SIGNED COPY TO:

BASIC GRANTS
P.O. BOX _____
IOWA CITY, IOWA 52240

PROCESSING CANNOT CONTINUE UNTIL YOU REPLY

"Reminder" SER. If an applicant receives an SER requesting additional information, and the Basic Grant processing center receives no response, after 60 days it will send the applicant a "reminder" SER message similar to this one:

--THIS STUDENT ELIGIBILITY REPORT (SER) WAS SENT TO YOU BECAUSE WE HAVE RECEIVED NO RESPONSE TO YOUR PREVIOUS REPORT WHICH WAS PROCESSED ON __/__/__. IF YOU HAVE RECENTLY SUBMITTED CORRECTIONS, DISREGARD THIS REPORT. IF YOU HAVE NOT SUBMITTED CORRECTIONS AND WISH TO BE CONSIDERED FOR A BASIC GRANT (BEOG) AWARD, PLEASE FOLLOW THE INSTRUCTIONS BELOW.

"Unofficial" SER. If the student submits another application after a first application is on file, he or she will receive an SER with this message:

--WE PREVIOUSLY RECEIVED AN APPLICATION FROM YOU PROCESSED BY _____ ON __/__/__. YOU MUST USE THE STUDENT ELIGIBILITY REPORT (SER) WHICH RESULTED FROM THAT APPLICATION FOR ANY CORRECTIONS OTHER THAN A CHANGE OF ADDRESS. OR, IF THAT REPORT IS ACCURATE AND NEEDS NO CORRECTIONS, SUBMIT IT TO YOUR FINANCIAL AID OFFICE NOW.
IF YOU WOULD LIKE A COPY OF THAT REPORT, CHECK THE SPACE PROVIDED TO THE RIGHT . . . . . _____
AND WRITE YOUR CORRECT ADDRESS ON THE LINES BELOW:
STREET:_____
CITY:_____
ZIP CODE:_____
SIGN THE CERTIFICATION STATEMENT ON THE BACK OF THE CORRECTED REPORT AND SEND TO:

BASIC GRANTS
P.O. BOX W
IOWA CITY, IOWA 52243

Only the SER resulting from the first application received at the Basic Grant processing center can be submitted to a financial aid administrator or can be used to correct erroneous information. All subsequent SERs will contain the

message above, and can be used only as a means of requesting a duplicate "official" SER, or as a means of changing the address listed on the "official" SER and requesting that a duplicate "official" SER be sent to the new address.

Correcting the SER

Missing Information Requested

If the student has left items blank on the application, he or she will receive an SER with this message:

--YOU HAVE REPORTED A BLANK OR NEGATIVE AMOUNT THAT CANNOT BE ACCEPTED.
COMPLETE THE FOLLOWING:

The student should enter the requested information on the lines provided in Section 1, and also enter it in the appropriate blocks in Section 2.

Correction/Confirmation of Information Requested

If there are apparent discrepancies in the information an applicant supplies, he or she will have to correct or confirm them before an eligibility index is calculated. The following is a typical correct/confirm message.

--REVIEW THE AMOUNTS IN BOXES __, __ AND __ BECAUSE THEY APPEAR TO BE INCONSISTENT. PLEASE CHECK YOUR 1979 INCOME TAX RECORDS AGAIN TO MAKE SURE THAT THESE AMOUNTS ARE CORRECT.

ARE THESE AMOUNTS CORRECT? CIRCLE ONE: YES NO

IF YOU CIRCLED YES, SIGN AND RETURN THE LAST COPY OF THIS REPORT.
IF YOU CIRCLED NO, PROVIDE THE FOLLOWING:

NUMBER OF EXEMPTIONS CLAIMED ON 1979 U.S. INCOME TAX RETURN(S) #_____
1979 ADJUSTED GROSS INCOME . . . . . $_____
1979 U.S. INCOME TAX PAID (LINE 47 OF IRS FORM 1040, OR LINE 13 of 1040A) . . . . . $_____
1979 U.S. ITEMIZED DEDUCTIONS . . . . . $_____

If all the information on the SER is correct as it stands, the student should circle "yes" and make no other mark on the front of the SER.

If corrections are necessary, the applicant should circle "no" and enter the correct information on the lines provided, and should also cross off the wrong data in Section 1 and enter the correct information above it.

All corrections, additions, and confirmations should be made on the third copy of the SER. The student (and a parent, if the student is a dependent applicant) should sign the certification statement on the back of that copy, and return it to the Basic Grant processing center.

Submitting the SER

Since the Basic Grant is the foundation of most financial aid packages, the student should submit the SER as soon as possible to the school he/she plans to attend so the aid officer can begin assembling the package.

If the student is considering more than one school, he/she may send photo-copies of the SER, to each one for a preliminary award determination. However, before the aid officer can actually pay, the student must submit the complete three-part SER.

CHAPTER 4

SUPPLEMENTAL FORM, NATIONAL DISASTER SHEET, SPECIAL CIRCUMSTANCES, AND DEADLINES

SUPPLEMENTAL FORM

The Office of Education has determined that for purposes of establishing a student's eligibility for the Basic Grant program, the most accurate indicator of financial strength is the amount reported on the Federal Income Tax Return for the previous year. Thus, for the 1980-81 award period, 1979 is the base year. However, it was also recognized that extraordinary circumstances could occur which would substantially affect a family's financial strength in the year following the base year. Therefore, in certain cases, an applicant may file a Supplemental Form, which allows estimated 1980 income to be used in the assessment of family financial strength.

For an applicant who is dependent and therefore filing on the basis of his/her parents' income, there are five conditions under which he/she may file a Supplemental Form:

A. A parent earned money in 1979, but has been completely out of work for at least 10 weeks in 1980.

B. A parent earned money in 1979, but has been unable to earn money as usual for at least 10 weeks in 1980. This must be the result of either:

   (1) a disability that happened in 1979 or 1980, or
   (2) a natural disaster that happened in 1980

C. A parent received non-taxable income in 1979, and lost this income completely in 1980. (Nontaxable income includes Social Security benefits, court-ordered child support, nontaxable retirement or disability benefits, welfare benefits, aid to families with dependent children (AFDC), etc).

D. The parents divorce or separate after the student has applied for a Basic Grant.

E. A parent who received income in 1979 dies after the student has applied for a Basic Grant. If both parents of a dependent student die, or if the last surviving responsible parent dies after he or she has applied for a Basic Grant, the student may file a Supplemental Form. When filling out the Supplemental Form, the student should answer "No" to all the dependency questions even if one or more of the answers would normally be "yes."

For an applicant who meets the independent student criteria (he/she did or will not live with parents for a total of more than six weeks in 1979 or 1980; was or will not be claimed as a tax exemption by parents in 1979 or 1980; and did or will not receive more than $750 worth of assistance from parents in 1979 or 1980), there are five supplemental conditions:

A. The applicant (or spouse) earned money in 1979, but has been completely out of work for at least 10 weeks in 1980.

B. The applicant (or spouse) earned money in 1979, but has been unable to earn money as usual for at least 10 weeks in 1980. This must be the result of either:

(1) a disability that happened in 1979 or 1980, or
(2) a natural disaster that happened in 1980

C. The applicant (or spouse) received non-taxable income in 1979, and lost this income completely in 1980. (Nontaxable income includes Social Security benefits, court-ordered child support, non-taxable retirement or disability benefits, welfare benefits, aid to families with dependent children (AFDC), etc.).

D. The spouse and applicant separate or divorce after he or she has applied for a Basic Grant.

E. The applicant worked full-time (35 hours a week for at least 30 weeks) in 1979. (This option is intended to help the applicant who quits a job to go to school.)

For 1980-81, the Supplemental Form is a stand-alone document. In past years, students have had to file a Basic Grant application together with a Supplemental Form. That is no longer true.

Students may request individual copies of Supplemental Forms by writing to: Basic Grants, P.O. Box 84, Washington, D.C. 20044. Counselors may request bulk orders for their institutions by writing to: Basic Grants, P.O. Box G, Iowa City, Iowa 52243.

SPECIAL CIRCUMSTANCES

Death

If one parent dies before the student files an application, the student omits that parent's income when he/she fills out the application, even though that parent was alive and earned income in 1979. If the parent dies after the student has applied, a Supplemental Form should be filed.

If both parents die before the student applies, he/she is automatically considered independent and answers "no" to the dependency questions. He/she would file using his/her 1979 income.

If both parents die, or the remaining responsible parent dies, after the student applies for a Basic Grant, the student filing a Supplemental Form should answer "no" to the dependency questions on that form.

If a spouse dies before the applicant files, that spouse's income would not be reported. If the spouse dies after the applicant files, a Supplemental Form should be submitted.

Divorce or Separation

If the parents divorce or separate before the application is filed, the applicant lists only the information for the parent he or she lived with for the greater part of the time during the 12 months preceding the date of application.

If the applicant did not live with either parent, or lived with each parent an equal number of days, he or she should give the information of the parent who has provided the most support (cash, food, clothes, housing, medical or dental care, college costs, etc.) during the 12 months preceding the date of application.

If the divorce or separation occurs after the Basic Grant application is filed, a Supplemental Form should be filed.

Remarriage

If a parent remarries, the student must include the step-parent's 1979 income if:

(a) the student did or will live with the step-parent (and parent) for a total of more than six weeks in 1979 or 1980, or

(b) the student did or will receive more than $750 in support from the step-parent in 1979 or 1980

Ward of the State

If a student is legally removed from the custody of his/her parents, he/she is considered independent and should answer "no" to all dependency questions.

Parents Refuse to Provide Information

Usually, if the parents of dependent students refuse to provide the necessary financial information, or refuse to sign the application, the student cannot apply. However, in the following three specific cases, a financial aid officer or a high school guidance counselor can sign in place of the parent.

a. Neither parent is in the U.S.

b. Parents' whereabouts is unknown.

c. Parent(s) are determined physically or mentally incapable of signing the application.

Of course, parental information must still be provided in these cases.

National Disaster Area

If a student has already filed, and he or she (or the parents, in the case of dependent students) suffers asset losses in a locality that has been declared a national disaster by the President, the student can change the SER to reflect asset losses resulting from the disaster. He/she should change the asset amounts on the SER according to the instructions printed on the back, and must also include a special national disaster area asset adjustment sheet which can be obtained from:

Bureau of Student Financial Assistance
Division of Policy and Program Development
ROB - 3, Room 4318
400 Maryland Avenue, S.W.
Washington, D.C. 20202

DEADLINES

March 16, 1981

Applications and Supplemental Forms must be received by this date.

May 5, 1980
SER applications must be received by this date.

May 31, 1981, or the last day of enrollment for 1980-81, whichever comes first.
Deadline for submitting the SER to a financial aid office--if the student enrolled before May 1, 1981.

June 30, 1981, or the last day of enrollment in 1980-81, whichever comes first.
Deadline for submitting the SER to a financial aid office--if the student's first enrollment for the award period (July 1, 1980-June 30, 1981) came on or after May 1, 1981.

ADDRESSES

Send USOE Basic Grant Application Form to:
BEOG, P.O. Box B, Iowa City, Iowa 52240

Send Supplemental Form to:
BEOG, P.O. Box E, Iowa City, Iowa 52240

Send corrected SERs to:
BEOG, P.O. Box E, Iowa City, Iowa 52243

To request a duplicate SER, write:
BEOG, P.O. Box O, Iowa City, Iowa 52243. The student must include his or her name, date of birth, address, and Social Security number.

For individual copies of applications or Supplemental Forms, or for a "Student Consumer's Guide," students should write to:
BEOG, P.O, Box 84, Washington, D.C. 20044

To order the above items in quantities, counselors should write to:
BEOG, P.O. Box G, Iowa City, Iowa 52243

USEFUL PUBLICATIONS

A Student Consumer's Guide: A booklet giving descriptions and application information on the U.S. Office of Education's six major financial aid programs.

Determination of Basic Grant Eligibility Index, 1980-81: A step-by-step explanation of the Basic Grant eligibility formula.

The above publications are free, and are available from Basic Grants, P.O. Box 84, Washington, D.C. 20202.

Selected List of Postsecondary Education Opportunities for Minorities and Women (Stock Number 017-080-02040-8). A 100-page booklet available for $3.75 from:

Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

Catalog of Federal Education Assistance Programs (Stock Number 017-080-01865-9017. A 756-page index of Federal educational assistance programs. Each program is described in terms of the specific type of assistance it provides, the purpose for which it is available, who can apply, and where to apply.

At the time this handbook was published, no information on the publication date of the 1979 edition of this catalog was available. Counselors interested in checking on its availability should contact:

Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

Need A Lift? A 132-page survey of educational opportunities, careers, loans, and scholarships. Available for $1.00 from:

The American Legion
"Need A Lift?"
P.O. Box 1055
Indianapolis, Indiana 46206

Meeting College Costs. A free booklet available from:

College Board Publications Orders
Box 2815
Princeton, New Jersey 08541

(Note that Meeting College Costs is distributed each year to high school guidance offices).

Applying for Financial Aid: A Guide for Students and Parents. A free booklet available from:

ACT Student Assistance Programs
Educational Services Division
P.O. Box 168
Iowa City, Iowa 52243

FEDERAL STUDENT INFORMATION CENTER

8:30 a.m.-6:30 p.m. (eastern time) Monday-Friday
(800) 638-6700
(800) 492-6602 (Maryland only)

Through its toll-free "hot lines," the Federal Student Information Center offers the following services for students, parents of students, and counselors, calling within the continental United States.

Basic Grant Information

Obtaining an application

Assistance in filing an application

Providing names of eligible institutions

Eligibility requirements

Current status of application

Assistance in filing corrections

Understanding the Student Eligibility Report and its eligibility index

Filing a supplemental form and reporting change in familiy's living situation (divorce, death, unemployment)

Solving payment problems

Basic Grant Validation

Filling out validation forms

Validation process and procedure

Documentation requirements

Sources of Aid

Basic Grants

Campus Based Programs (Supplemental Grant, College Work Study, National Direct Student Loan)

Guaranteed Student Loan (Lists of lenders, eligible schools, state agency referrals, repayment/deferral procedures)

State scholarships

The Center is not authorized to:

Make policy

Expedite the Basic Grant process

Discuss an applicant's Basic Grant file with unauthorized persons

Change an applicant's file without written authorization

Influence an individual school's policies

Recommend academic programs to students

Provide family financial counseling

We would like to stress that the student's initial sources of information on Federal student aid should be the "Student Consumer's Guide," the instructions on the application form itself, the postsecondary school financial aid administrator, and you, the counselor. Students should not ignore these important primary resources by calling the Information Center first. Therefore, we ask that you exercise discretion in advising students to use the toll-free "hot line."

Appendix A

INSTRUCTIONS FOR COMPLETING THE 1980-81 BASIC GRANT APPLICATION FORM OR FINANCIAL AID FORM FOR STUDENTS OR PARENTS WHO FILLED OUT OR WILL FILL OUT A 1979 PUERTO RICAN INCOME TAX RETURN

Follow the instructions on the Basic Grant Application (English or Spanish) Form with the following modifications:

BEOG APPLICATION QUESTION #	MODIFIED INSTRUCTIONS	
Question #12	Did or will the student's parents claim him/her as a dependent in Schedule 9 of their Puerto Rican income tax return in 1979? in 1980?	
	PARENT (green-shaded items	STUDENT (gray-shaded items)
Question #22	Are the 1979 P.R. income tax return figures provided from a completed tax return or are they estimated?	Are the 1979 P.R. income tax return figures provided from a completed tax return or are they estimated?
Question #23	Exemptions:* In the United States an "exemption" is not a quantity of money as in P.R. The 1979 Total Number of Exemptions Claimed is the total number of dependents claimed in Schedule 9 of the parents' 1979 P.R. income tax return plus one additional "exemption" for each parent.	Exemptions: In the United States and "exemption" is not a quantity of money as in P.R. The 1979 Total Number of Exemptions Claimed is the total number of dependents claimed in Schedule 9 of the student's (or spouse's) 1979 P.R. income tax return plus one additional "exemption" for student (and one for his/her spouse if the student is married.
Question #24	1979 Adjusted Gross Income: Take the amount listed in item 5, Schedule 2 of the parents' 1979 P.R. income tax return.	1979 Adjusted Gross Income: Take the amount listed in item 5, Schedule 2 of the student's (or spuse's) 1979 P.R. income tax return.
Questions #25	1979 Total Income Tax Paid: Take the amount listed in item 15, Schedule 4 of the parents' 1979 P.R. income tax return.	1979 Total Income Tax Paid: Take the amount listed in item 15, Schedule 4 of the student's (or spouse's) 1979 P.R. income tax return.
Questions #26	1979 Total Itemized Deductions: Add together the quantities of the following items from Schedule 3 of the parent's 1979 P.R. income tax return: items 7A, 7C, 7F, 7G, 7H, 7I & 7K.	1979 Total Itemized Deductions: Add together the quantities of the following items from Schedule 3 of the student's (or spouse's) 1979 P.R. income tax return: items 7A, 7C, 7F, 7G, 7H, 7I & 7K.

Questions #28	1979 Income Earned from Work: If the parents are married and living together: 1979 Income Earned by the father:/ Take the total of the quantities of the following items in Schedule 2 of the parents' 1979 P.R. income tax return: items 1 (total in column C), 4E, 4F, 4G, & 4H. Subtract the amount listed in item E, Schedule 1. 1979 Income Earned by the mother: Take the amount listed in item E, Schedule 1. If the parent is single, separated, divorced or widowed: 1979 Income Earned by parent: Take the total of the quantities of the following items in Schedule 2 of the parent's 1979 income tax return:	1979 Income Earned from Work: If the student is married and living with his/her spouse: 1979 Income Earned by the husband: Take the total of the quantities of the following items in Schedule 2 of the student's (or spouse's) 1979 P.R. income tax return: items 1 (total in column C), 4E, 4F, 4G, & 4H. Subtract the amount listed in item E, Schedule 1. 1979 Income Earned by the wife: Take the amount listed in item E, Schedule 1. If the student is unmarried or separated: 1979 Income Earned by the Student: Take the total of the quantities of the following items in Schedule 2 of the student's 1979 P.R. income tax return: items 1 (total in column C), 4E, 4F, 4G, & 4H.
Question #30	1979 Medical and Dental Expenses Not Paid by Insurance: Double the amount in column (a), item 1 Schedule 8 of the parents' 1979 P.R. income tax return.	1979 Medical and Dental Expenses Not Paid by Insurance: Double the amount in column (a), item 1, Schedule 8 of the student's (or spouse's) 1979 P.R. income tax return.

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* The way we have told Puerto Rican students to figure out the number of exemptions is not identical to the way they are determined in the U.S. 1040 income tax returns. However, this approximation is adequate for Basic Grant purposes.

NOTE: If a couple is married and living together in Puerto Rico they must file a joint income tax return in the HUSBAND's name.

* U. S. GOVERNMENT PRINTING OFFICE : 1979 634-230/535

Basic Grant Application Form

1980-81

FORM APPROVED
FEDAC NO.: R 84
APP. EXP: 11/81

No grant may be awarded unless a completed application form has been received (20 U S C 1070a (b) (2)).

WARNING
If you use this form to establish your eligibility for federal student aid funds, you should know that any person who makes false statements or misrepresentations on this form is subject to a fine or to imprisonment or both, under provisions of the United States Criminal Code.

Read instructions carefully as you fill out this form.

Section A Student's Information

1. Student's name — Last (1(1) (6-21)) | First (22-30) | MI (31)
2. Student's permanent mailing address (see State Code List, page 4) — Number and Street (32-60); City (61-78); State Code (2(1) (6-7)); Zip Code (8-12)
3. Student's social security number (13-21)
4. Student's date of birth (22-27) — Month | Day | Year
5. Student's State of legal residence (28-29) — State Code

Fold

6. The student is: (30) (a) ☐ a U.S. citizen (b) ☐ an eligible noncitizen (see instructions) (c) ☐ neither of the above (see instructions)
7. The student is: (31) ☐ unmarried ☐ married ☐ separated
8. Student's year in college during 1980-81 (32): ☐ 1st (freshman) ☐ 2nd (sophomore) ☐ 3rd (junior) ☐ 4th (senior) ☐ 5th (undergraduate) ☐ graduate or professional (beyond a Bachelor's degree)
9. Will the student have received a Bachelor's degree by July 1, 1980? (33) ☐ Yes (see instructions) ☐ No
10. During the 1980-81 school year the student wants financial aid — from (34-37) Month | Year to (38-41) Month | Year

Section B Student's Status

Read the instructions to find out who counts as the student's parent before you answer 11, 12, and 13.

		Yes	No		Yes	No
11. Did or will the student live with the parents for more than six weeks	in 1979? (42)	☐	☐	in 1980? (45)	☐	☐
12. Did or will the parents claim the student as an income tax exemption	in 1979? (43)	☐	☐	in 1980? (46)	☐	☐
13. Did or will the student receive more than $750 worth of support from the parents	in 1979? (44)	☐	☐	in 1980? (47)	☐	☐

If you answered "Yes" to any of the questions in Section B, you must fill in the green shaded answers.

If you answered "No" to all 6 questions in Section B, you must fill in the gray shaded answers.

Section C Household Information

Parents 3(1) 1(8)

If the student has a stepparent, read the instructions before going on.

14. The parents' current marital status is: (7) ☐ single ☐ divorced ☐ widowed ☐ married ☐ separated
15. The age of the older parent is (8-9)
16. The parents' State of legal residence is (10-11) — State Code
17. The total size of the parents' household during 1980-81 will be (12-13) (Include the student, parents, and parents' other dependent children. Include other dependents if they meet the definition in the instructions.)
18. Of the number in 17, how many will be in college during 1980-81? (14) (Include persons who will be enrolled in college at least half-time.)

Fold

Student (and Spouse) 3(1) 3(8) (12-13)

19. The total size of the student's household during 1980-81 will be (Include the student, spouse, and student's dependent children. Include other dependents if they meet the definition in the instructions.)
20. Of the number in 19, how many will be in college during 1980-81? (14) (Include persons who will be enrolled in college at least half-time.)

Section D Income and Expense Information

	Parents	Student and Spouse
21. A 1979 U.S. income tax return has been filed or will be filed	(15) ☐ Yes ☐ No	(15) ☐ Yes ☐ No
If you answered "Yes" to 21, go to 22. If you answered "No" to 21, skip to 28.		
22. The 1979 U.S. income tax return figures are (see instructions)	(16) ☐ from a completed return ☐ estimated	(16) ☐ from a completed return ☐ estimated
23. 1979 total number of exemptions claimed (Form 1040, line 7 or 1040A, line 6)	(17-18)	(17-18)
24. 1979 adjusted gross income (Form 1040, line 31 or 1040A, line 11)	$ .00 (19-23)	$ .00
25. 1979 total U.S. income tax paid (Form 1040, line 47 or 1040A, line 14a)	$ .00 (24-28)	$ .00
26. 1979 total itemized deductions (Form 1040, Schedule A, line 39, or write "0" if deductions were not itemized)	$ .00 (29-33)	$ .00
27. Expected 1980 adjusted gross income (see instructions)	$ .00 (34-38)	Skip to 28

Section D *(continued on other side)*

Section D (Continued)

	Parents	Student and Spouse
28. 1979 income earned from work by	1(39) (40-44) a. Father $ .00 (45-49) b. Mother $ .00	2(39) (40-44) a. Student $ .00 (45-49) b. Spouse $ .00
29. 1979 nontaxable income a. Social security benefits (see instructions)	(50-54) $ .00	(50-54) $ .00
b. Other nontaxable income (child support, welfare, etc.—see instructions)	(55-59) $ .00	(55-59) $ .00
30. 1979 medical and dental expenses not paid by insurance	(60-64) $ .00	(60-64) $ .00
31. 1979 elementary, junior high, and high school tuition paid (Do not include tuition paid for the student.)	(65-69) $ .00	(65-69) $ .00
32. Expected 1980 nontaxable income (see instructions) a. Social security benefits	(70-74) $ .00	Skip to 34
b. Other nontaxable income (child support, welfare, etc.)	(75-79) $ .00	
33. **Student's (and spouse's) total 1979 income minus U.S. income tax paid (see instructions)**	4(1) (5-10) $ .00	

Section E Asset Information

	Parents		Student and Spouse	
	What is it worth now?	What is owed on it?	What is it worth now?	What is owed on it?
34. Cash, savings, and checking accounts	(11-15) $ .00		$ .00	
35. Home	(16-27) $ .00	$ .00	$ .00	$ .00
36. Other real estate and investments	(28-39) $ .00	$ .00	$ .00	$ .00
37. Business and farm	(40-53) $ .00	$ .00	$ .00	$ .00
38. **Student's (and spouse's) savings and net assets**	(54-59) $ .00		Skip to 39	

Fold

All students must fill out Sections F and G.

Section F Student's (and Spouse's) Expected Income

July 1, 1980—June 30, 1981

39. Social security benefits (Include only the student's benefits.) — 5(1) (6-8) Amount per month $ .00 — (9-10) Number of months

40. Veterans educational benefits (Include only the student's benefits from GI Bill and Veterans or Dependents Educational Assistance Programs.) — (11-13) Amount per month $ .00 — (14-15) Number of months

41. Other nontaxable income of student (and spouse) (Do not include student aid.) — (16-20) Amount for year $ .00

	Summer 1980	1980-81 School Year
42. a. Student's taxable income (Do not include student aid.)	(21-25) 3 months $ .00	(26-30) 9 months $ .00
b. Spouse's taxable income (Do not include student aid.)	(31-35) 3 months $ .00	(36-40) 9 months $ .00

Section G Institutions, Release, and Certification

43. Student's college for the 1980-81 school year (see instructions)

1. _____ Name of School (41-42) _____ City _____ State Code — BEOG use only (43-46)

2. _____ Name of School (47-48) _____ City _____ State Code (49-52) (53-56)

44. I give the Basic Grant Program permission to send information from this form to:

a. the financial aid agency in my State (57) ☐ Yes ☐ No

b. the colleges I listed in question 43 (58) ☐ Yes ☐ No

See the instructions. If you leave (a) or (b) blank, we will assume your answer is "No." If you answer "No" to (a), your State aid may be delayed.

45. Certification

All the information on this form is true and complete to the best of my(our) knowledge. If asked by an authorized official, I(we) agree to give proof of the information that I(we) have given on this form. I(We) realize that this proof may include a copy of my(our) 1979 U.S. or State income tax return. I(We) also realize that if I(we) do not give proof when asked, the student may not get aid.

Fold

Sign:

Student (59) _____

Student's Spouse (60) _____

Father (61) _____

Mother (62) _____

(63-66) Date completed: Month ____ Day ____ Year ____

Mail your form to: BEOG
P.O. Box B
Iowa City, Iowa 52240

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF EDUCATION
BUREAU OF STUDENT FINANCIAL ASSISTANCE
WASHINGTON, D.C. 20202

FEB 1980

Dear Colleague:

This letter describes the major changes in the Basic Grant forms for 1980-81. It will serve as an important reference to you and your staff during the entire year. Therefore, please keep it. I have attached copies of the Basic Grant Application Form, Supplemental Form, Student Eligibility Report, and National Disaster Area Asset Revision Instruction Sheet for your reference.

High school counselors and postsecondary aid administrators should have recently received the 1980-81 Counselor's Handbook. This letter and the Handbook describe the steps that students must take when applying for a 1980-81 Basic Grant. Postsecondary school aid administrators should have received the 1979-80 Student Financial Aid Handbook in January. Then in the early spring, we will distribute to aid administrators information about how to calculate 1980-81 payments.

How to Apply for a 1980-81 Basic Grant

In the 1980-81 academic year, the Basic Grant Program will continue the procedure by which students may apply for Basic Grant assistance by completing a form other than the Basic Grant Application Form. In many cases, it may be possible for a student to file a single form and receive consideration for institutional, State, and Federal student aid. This procedure is called Multiple Data Entry (MDE). If your students fill out one of the following forms, they do not also have to fill out a Basic Grant Application Form:

- Financial Aid Form (College Scholarship Service)
- Family Financial Statement (American College Testing Program)
- Pennsylvania Higher Education Assistance Agency (PHEAA) Form
- Student Aid Application for California (SAAC)

Each of the four forms will have a box for the student to check so that the data necessary to determine Basic Grant eligibility can be forwarded to the Basic Grant processing contractor.

The Basic Grant Program has implemented the Common Form for 1980-81. When we talk about the "Common Form," we mean that there will still be several different forms that students can use to apply for a 1980-81 Basic Grant; however, each form will contain a core of identical questions plus identical instructions for completing these questions. Each of the forms has been made as clear and simple as possible to make it easier for students to apply for aid.

HE 012 820

In 1980-81, students attending institutions which use the Confidential Financial Statement (CFS) of the Financial Analysis Service (FAS) to determine eligibility for institutional and Federal campus-based aid can apply for a Basic Grant when they fill out the CFS. FAS is not a Multiple Data Entry agency as are CSS, ACT, and PHEAA. FAS has developed a process in which students fill out the CFS and the Basic Grant Application Form at one time. Students send both forms to the FAS office in Hiram, Ohio, which analyzes data from the Basic Grant application, then sends that form to the Basic Grant processing center in Iowa.

Basic Grant Application Forms will, of course, be available for:

(a) Students who will be applying only for Basic Grant assistance; and

(b) Students at schools using information from the Basic Grant Application Form to determine eligibility for aid awarded by the institution.

Students who fill out one of the MDE forms and check the box indicating they wish to receive consideration for a Basic Grant will receive a Student Eligibility Report, which is the official notification of eligibility for a Basic Grant. (In addition, students may also receive an unofficial estimate of their eligibility from the agency that transmits the data to the Basic Grant processing contractor).

All Basic Grant applicants will receive a Student Eligibility Report (SER) showing the results of processing. If information must be corrected or confirmed, the student must use the SER to do so and must follow the procedure outlined on the enclosed instruction sheet. Since the data from the original application becomes the student's official Basic Grant record, no corrections or confirmations can be made by submitting subsequent applications.

HOW A STUDENT CAN APPLY FOR A 1980-81 BASIC GRANT BUT NO OTHER AID

If a student wants to receive consideration only for a Basic Grant award, he or she can (1) submit the regular Basic Grant application, or (2) submit one of the MDE forms, completing only those items necessary for Basic Grants as listed in the "Notice to Applicants" section and checking the "Basic Grant only" item on the form. In either case, there is no charge for applying only for Basic Grant consideration.

Many students applying only for a Basic Grant are using one of the MDE forms. Because it is more expensive for the Federal Government to process MDE forms for these students, we encourage you to advise students to fill out the Federal Basic Grant form if they want only a Basic Grant.

CHANGE OF INTENT AFTER MDE FORM IS FILED

We should briefly discuss those cases where students wish to change their original intent in filing one of the MDE agency forms. This change could occur when the student used the form originally to apply only for Basic Grants, then later decided to have the need analysis performed and/or receive consideration for a State grant. Of course, the reverse of this situation could occur. To handle these two types of cases, the following procedures should be followed, based on the agency form submitted:

A. Student submits an agency form to apply for Basic Grants and later wishes to receive consideration for other aid -

ACT: the student will have received an SFAR (Student Financial Aid Report) that can be used to request the need analysis and list the schools and/or State to receive the results. The student must submit the appropriate fee.

CSS and SAAC: the student receives an "acknowledgement" as a result of submitting either the FAF or the SAAC form. To receive consideration for other aid, the student must complete the "additional college request" portion of the "acknowledgement." The student must submit the appropriate fee. The deadline for applying for aid through the Student Aid Commission (SAAC) is February 11, 1980.

PHEAA: the student sends the agency a signed letter requesting consideration for a PHEAA grant.

B. Student submits an agency form, but does not check the item to release data to Basic Grants and later wants to apply for a Basic Grant -

ACT: the student may complete another agency form - no fee is submitted with this form - or a Basic Grant application.

CSS and SAAC: to receive consideration for a Basic Grant, the student must complete the "additional college request" portion of the "acknowledgement," but does not submit a fee.

PHEAA: all students who apply for PHEAA aid must apply for a Basic Grant at the same time. If a student does not check the block on the PHEAA form which allows PHEAA to release information to the Basic Grant Program, PHEAA will send that student a form letter requesting that (s)he apply for a Basic Grant.

Ideally, the large majority of students will indicate their intentions on their original forms, and these procedures will only be necessary for a few students. As one final point, we should note that if a student submits an agency form before January 1, 1980, the data will not be

transmitted to Basic Grants, and the student will have to fill out another form and apply for a Basic Grant. The Basic Grant Program will not be accepting data based on forms completed before the 1979 calendar year has concluded to ensure that we are getting the full year's income information.

CHANGES IN THE 1980-81 APPLICATION FORMS

As a result of the effort to develop a "Common Form," the instructions are essentially the same for all the forms used to apply for a 1980-81 Basic Grant. The order of the questions in Sections A through F are identical on all forms except the FFS. The design of all the forms except the FFS has changed, using color coding to help guide students and parents through the forms. The language used in all the instructions and forms has been simplified. These changes in design and language should help students and parents complete the forms more easily.

With the addition of several questions to the 1980-81 Basic Grant Application Form, OE will be able to calculate an expected family contribution using Uniform Methodology for those institutions that wish to use the Basic Grant computation in awarding campus-based and/or institutionally controlled aid. OE has also added a few questions to the Form which the financial aid community indicated will help them administer aid.

Data collected on the 1980-81 forms is different from that collected on the 1979-80 Basic Grant Application Form. The changes in the 1980-81 Federal application form are listed below. The descriptions of Sections A through F are also appropriate for the FAF, SAAC, and PHEAA forms. The numbering of the questions and some of the instructions are different for the FFS.

Section A -- Student's Information

6. (Citizenship) Noncitizens may not check "b" (an eligible noncitizen) if they possess only an approval notice to apply for permanent residence (I-171 or I-464A). Students who have only received an approval notice must check "c" and are not eligible for Basic Grants.

7. (Marital Status) Three responses are now possible, instead of the five from last year. Students who are single, divorced, or widowed should check "unmarried."

10. (When aid is requested) This item is collected to help the financial aid administrator package the student's aid. Because it does not affect eligibility for Basic Grants, students are not required to answer this item. Students should not make corrections to this item through the Basic Grant processing system.

Section B -- Student's Status

Determining who is considered the student's parent is now done before answering the questions determining dependency. For those students whose parents are divorced or separated, the student answers the questions in Section B for the parent he or she lived with the longest in the last 12 months. If the student didn't live with either parent, or lived with each for an equal number of days, the student answers the questions in Section B for the parent who provided the most financial support in the last 12 months. Custody is no longer considered in determining who is the responsible parent.

11, 12, and 13. These questions are now asked only for two years - 1979 and 1980. The third year has been dropped.

Section C -- Household Information

15. The age of the older parent is ____. This is a new data item and will be used in calculating a family contribution under the Uniform Methodology.

Section D -- Income and Expense Information

21 and 22. A new approach is being used regarding tax filing status. If the student answers "no" to 21 (have they or will they file a tax form), he or she should skip to 28. Questions 22 through 27 do not apply to non-tax filers and should be left blank. If the student answers "yes," 22 through 27 should be completed.

24. 1979 adjusted gross income. This figure is to be taken from the 1040 or 1040A. Earned income for which no tax return is filed should be reported under 29b, "other nontaxable income," as well as 28, "1979 income earned from work."

27. Expected 1980 adjusted gross income. This is a new item, collected only from those completing the green part of the form (dependent students). This amount is not used in calculating the eligibility index or the family contribution according to the Uniform Methodology. It will be used by financial aid administrators when packaging students' aid.

29. a, "Social Security benefits" and b, "Other nontaxable income." All forms now collect these two categories of nontaxable income separately.

Note that the instructions for 29b, "other nontaxable income," instruct the student to include "living and housing allowances (cash payments or value)." These allowances apply to members of the clergy, military families, and other situations where housing is provided as part of the person's compensation. In the past, housing allowances were reported only if received in the form of cash payments. Now, the value of housing provided must also be reported.

30. 1979 medical and dental expenses not paid by insurance. This amount alone will be used to determine if an unusual expenses offset is appropriate. Casualty and theft losses are no longer collected.

32. Expected 1980 nontaxable income. This new item is collected only from dependent students. This is for the financial aid administrator's use only and is not used in either calculation.

33. Student's (and spouse's) total 1979 income minus U.S. income tax paid. This new item is collected only from dependent students. It will be used in the Basic Grant eligibility index calculation.

Section E -- Asset Information

37. Business and farm assets are now combined under one item.

38. Student's (and spouse's) savings and net assets. Collected from dependent students only, this question replaces "applicant's resources" collected in previous years. It is used in both calculations.

Section F -- Student's (and Spouse's) Expected Income

This type of information is new to the Basic Grant Application Form, although it has been collected on other MDE forms in previous years. Of the items in this section, only item 40, Veterans educational benefits, is used in the Basic Grant eligibility index calculation. The other data items are either used in the Uniform Methodology family contribution or as information to the financial aid administrator.

Section G -- Institutions, Release, and Certification

44. Release of information. Students now may release their information to their college as well as to their State agency. If a student's college has requested full data on its Basic Grant applicants, full data on a student will be given to the school only if the student answers "yes" to 44b.

SUPPLEMENTAL FORM

There are major revisions to the 1980-81 Supplemental Form. The biggest change is that the 1980-81 Supplemental Form will be self-contained and have its own instruction booklet. Therefore, a Basic Grant Application Form will no longer have to accompany the Supplemental Form.

This change in the Supplemental Form allows us to drop most questions dealing with 1979 income information, which are not needed for calculating an eligibility index using estimated data. It also allows us to provide detailed instructions for each data element, which should make filing a Supplemental Form easier than it has been in the past.

The design of the Supplemental Form and the wording of the instructions will parallel the 1980-81 Basic Grant application. Color coding and simplified language will be used for the Form and the instructions.

One of the conditions for filing a Supplemental Form has changed for the 1980-81 academic year. The "loss of unemployment compensation" condition has been expanded to read, "loss of unemployment compensation or a complete loss of some type of nontaxable benefit for at least 10 weeks in 1980." The types of nontaxable benefits covered by this condition are listed in the instructions for the Supplemental Form. This condition will apply to the student or spouse (for independent applicants) or to the parents (for dependent applicants).

Validation

A recent study conducted by BSFA indicates that, when compared to IRS records, estimated income reported on Supplemental Forms is being significantly misreported. Therefore, for 1980-81, we are exploring the possibility of selecting a sample of Supplemental filers for validation.

You will note on the Supplemental Form that the warning statement has been revised to advise students that they may be asked to verify their estimated income. In addition, by signing the certification statement, students and parents agree to provide 1980 Federal Income Tax Returns upon request. Students who file a Supplemental Form will be informed on the instructions that will accompany their SERs to update their estimated income if they discover at a later date that their estimates were incorrect.

Since the final determination of whether we will proceed with some form of student validation has not been made, we cannot provide you with specific details at this time. However, any validation of this type would be conducted centrally, using reasonable tolerances in determining misreporting. As soon as a final decision has been made, we will notify you, with specific details, in the BSFA Bulletin.

HINTS FOR FILLING OUT THE BASIC GRANT APPLICATION FORM OR SUPPLEMENTAL FORM

Students and parents should pay attention to the following hints when completing an application for the Basic Grant Program.

1. Read and follow the application instructions carefully.

2. Keep the instruction booklet for later use. It is needed if any corrections are to be made.

3. Submit only one application.

4. Do not attempt to make corrections by filing a second application. Corrections must be made on an SER.

5. Do not write notes on the application form or attach letters, tax forms, etc., to the application. This will delay the processing of the application.

6. Be sure to include a permanent and complete mailing address.

7. Fill in all blanks unless you are instructed to skip a question. If the answer to an item would be "not applicable," "none," or "unknown," fill in that item with a zero.

8. Write legibly.

9. Use dollar amounts only. Round figures to the nearest dollar.

STUDENT ELIGIBILITY REPORT

There have been major revisions to the 1980-81 Student Eligibility Report (SER). The SER includes more data, an enlarged comment section, and the certification has been moved to the front. The 1980-81 SER will be larger to accommodate these revisions. We have attached a copy of the 1980-81 SER.

The SER will be printed on one side in black ink on light green paper. The SER will be 10 3/8" X 11". Each eligible student will receive three copies of the SER. A student who is ineligible (with an eligibility index greater than 1600) or who does not have an eligibility index calculated will only receive two copies of the SER. The two or three copies of the SER will be separated and folded twice to fit in a 4 3/4" X 11 3/8" brown window envelope.

The left half of the SER will contain comments to the student. The right half will contain the data from the application form, a section for institutions to fill out (like Section 4 of the 1979-80 SER), and the certification to be filled out by the student whenever corrections are made.

The Basic Grant application processing system has the capability of enclosing one of several inserts with the SER, depending upon the student's status. One insert will tell the eligible student what (s)he needs to know. Another insert is for students with eligibility indexes above 1600. Rejected students will get a third insert letter. Students who filled out a Supplemental Form will receive a fourth insert. Since the SER will be printed on one side only, the insert letters serve the same general purpose as the back of the 1979-80 SER.

The advantages of the new design of the SER include tremendous cost savings and use of materials that are easier to obtain. In addition, legibility will be greatly improved, most multiple page SERs will be eliminated, and counseling time will be reduced because the content of the inserts and format of the SER will be easier for the student to understand.

What the sections of the SER mean

Section 1 of the SER contains the eligibility index, as well as comments or messages from the Basic Grant Program. Section 2 shows the information that the student gave on his/her application. Section 3 is for the financial aid office. Section 4 is for signatures; students need to use it only if they make corrections on their SER.

Section 1 -- Comments

There can be three kinds of information in this section:

- Information about the eligibility index.
- Special explanations or instructions.
- Information about the way we figured the eligibility index. Sometimes we might have assumed an answer in order to figure the eligibility index. Students must read Section 1 carefully, to make sure we assumed the correct answers. If we assumed any incorrect answers, then the eligibility index may be wrong, and the student needs to give us the correct answers so we can figure the eligibility index again.

A standard calculation of the Uniform Methodology Total Family Contribution (FC) will be provided for both dependent and independent students. The FC can be found on the SER directly above the student's date of birth (box 5) in the box labeled "For School Use Only." This number can be used to package campus-based Federal student aid at the option of the postsecondary institution.

Section 2 -- Information From the Application

In this section, students will see the information that they gave when filling out the application. They must check this information over carefully. It may help to look back at the instructions that came with the application.

There can be four kinds of information in Section 2. Here's what to do with each one:

Boxes that contain X's. Students should ignore these boxes. The X's just mean that this information didn't apply to the student.

Information marked with a triangle. In some boxes, a triangle is printed after the information. Students should not correct this information unless a financial aid administrator says to. This information does not affect eligibility for a Basic Grant at all. It is used to determine the FC number or to assist the aid administrator in packaging the award.

Asset information (box 35, boxes 38-43, box 54). This is information about Cash/Savings, Checking, Home, Investments/Real Estate, and Business/Farm. These boxes should contain information that was correct on the day the student signed the application. Students should not update anything that has changed since that day.

All other information. The student should check all other boxes in Section 2 to make sure the information is correct.

Section 3 -- School Use Only

If the student has an eligibility index lower than 1601, this section must be filled out by the financial aid office at the eligible postsecondary institution the student will attend. (Institutions that participate in the Basic Grant tape exchange need not fill out Section 3.) Financial aid administrators should fill out Section 3 as follows.

1. Total Student Cost. Fill in this item according to the Basic Grant regulations, the Student Financial Aid Handbook, and the 1980-81 payment schedule.

2. Eligibility Index. OE will print this number automatically if the student has an eligibility index lower than 1601.

3. Scheduled Basic Grant. Fill in this item according to the Basic Grant regulations, the Student Financial Aid Handbook, and the 1980-81 payment schedule.

4. Expected Disbursement. Fill in this item according to the Basic Grant regulations, the Student Financial Aid Handbook, and the 1980-81 payment schedule. The amount written here should be the amount aid administrators expect to pay the student during the entire 1980-81 academic year.

5. Expected Number of Months in School (7/80-6/81). Estimate the length of time the student will be in school in the 1980-81 academic year. Even though institutions do not use the number of months in the award calculation process, this number will allow OE to do a rough check on the validity of information given by the school.

6. Enrollment Status. Fill in this item according to the Basic Grant regulations, the Student Financial Aid Handbook, and the 1980-81 payment schedule.

7. Date Enrolled. Write in the date that the student first attended the institution in the 1980-81 academic year.

8. Attended BEOG ID Number. Write in the six-digit BEOG ID Number for the institution the student is attending in 1980-81. Do not write in the 12-digit EIN.

Section 4 - Certification

The student should fill out Section 4 only if (s)he corrects information on the SER or provides additional information.

MAKING CORRECTIONS

To make corrections, the student must use one copy of the SER. (Any of the copies will do.) (S)he must print the corrections in Section 2. Cross out any information that is incorrect and print the correct information in the same box.

Remember, if we assumed an incorrect answer in Section 1, the student will need to give us the correct information on the SER. If there is an answer space in Section 1, (s)he should print the correct information in that space. If there is not an answer space in Section 1, (s)he must find the box in Section 2 where that information belongs, and print the correct information there.

If a Student Makes Corrections

Get the right signatures. (S)he must sign his/her name in Section 4 on the line that says "Student." If the student is married, a spouse must sign, too. And if the SER gives information about the parents, at least one of them must sign where it says "Parent." If the SER does not have the right signatures, we'll have to send it back to the student.

Send in the corrected copy of the SER to:

Basic Grants
P.O. Box 0
Iowa City, Iowa 52243

The student should keep the other copies for his/her records.

Students must not miss the deadline. It takes about 4 weeks for us to make corrections. The corrected SER must be postmarked by May 5, 1981, and we must receive it by May 15, 1981; otherwise, it will be too late and we will not be able to accept it.

LOSS OF ASSETS BECAUSE OF A NATURAL DISASTER

Usually, a Basic Grant applicant cannot change asset data after they have been reported. However, if an asset is damaged or lost because of a natural disaster occurring in an area declared a National Disaster Area by the President, the asset figure on the SER can be changed to reflect the loss.

Students are notified of this procedure by a statement appearing on the insert sheet which accompanies the Student Eligibility Report and are instructed to contact the financial aid administrator at their institutions for further information. A student may fill out a combined instruction/certification sheet, a copy of which is attached, and change the assets, except in the following two situations:

1. if the student has not already applied for a Basic Grant in 1980-81, (s)he should simply fill out an original application showing the value of the assets after the disaster.

2. if the person whose income is reported when applying for a Basic Grant has been unable to work as usual for at least 10 weeks in 1980 because of a natural disaster which occurred in 1979 or 1980. In that case, the student may file a Supplemental Form.

The combined instruction/certification sheet is to be given by the financial aid administrator to the student who qualified to use it. If a student whose assets were affected contacts the institution for information, the financial aid office should obtain the necessary number of copies of the enclosed instruction/certification sheet by writing to:

Basic Grants
L'Enfant Plaza
P.O. Box 23715
Washington, D.C. 20024

We suggest that the actual instruction/certification sheets available from the Office of Education be used by students. However, if it appears that the financial aid office will be unable to obtain the instruction/certification sheets in sufficient time for the student to meet the deadline for making corrections (May 5, 1981), photocopies may be used.

Although the financial aid administrator is not expected to verify that the affected assets were located in a National Disaster Area, he or she should make an effort to ascertain that the student using these procedures is entitled to do so.

APPLICANT ROSTERS AND TAPES

We would like to remind you that 1979-80 award period applicant rosters and tapes are produced on a monthly and semi-monthly basis, depending on the time of the year. The production schedule for rosters and tapes for the rest of the year will be as follows:

January 11 and 25, 1980
February 8, 1980
March 14, 1980
April 11 and 25, 1980
May 9, 1980
June 13, 1980

The final end-of-year rosters and tapes will be produced on June 13, 1980.

We expect the first 1980-81 applicant roster or tape to be sent out in late February. The abbreviated rosters or tape will be essentially the same as last year's and will again contain a column to indicate the agency to which the student applied for a Basic Grant. Dependency status for each student will be added to 1980-81 rosters and tapes. A standard calculation of the Uniform Methodology Total Family Contribution will also be provided for both dependent and independent students. We have added to rosters a summary distribution of applicants by income level, dependency status, eligibility status, and applicants selected for validation. Because of Privacy Act considerations, these distributions will not appear on rosters containing fewer than 50 applicants.

For the first time, full data tapes will be available to institutions during 1980-81. Full data tapes will not only include full financial data for each applicant, but will also include information provided on abbreviated tapes. However, full financial data will be provided only for applicants who authorize on the application the release of information to institutions. Records for students who did not authorize the release will contain only abbreviated data.

The applicant rosters and tapes will also include information on the number of years of Basic Grant eligibility an applicant has used. Eligibility used for a given year is determined by dividing the actual disbursement by the Scheduled Award. The information on the rosters and tapes includes validated eligibility used and total eligibility used, identified as VEU and TEU, respectively, on the rosters.

Validated eligibility used is calculated using actual disbursements from the validation rosters that have been processed at OE. Total eligibility used is the sum of a student's validated eligibility used and expected eligibility used for all years the student has received an award.

Expected eligibility used is calculated as Expected Disbursement divided by Scheduled Award for each student from all SER's sent in with Progress Reports. Expected eligibility is included in the total only when actual disbursements are not available. Total eligibility used may not be accurate because not all validation rosters have been submitted or processed. However, it is an indication of the maximum amount of eligibility a student has used. Furthermore, it gives you an indication of the need to require a financial aid transcript or other documentation from students who have transferred from other institutions. The SER will have special messages for students who are approaching 4 years of eligibility used, as well as for those who have exceeded that amount.

During 1980-81, institutions will continue to have the option of receiving abbreviated tapes or rosters, unless they have indicated to us a preference for a different option. If you would prefer to receive full data tapes or to change to a different option of abbreviated rosters and tapes, you should immediately contact Mr. Pat Hogan, P.O. Box J, Iowa City, Iowa 52243.

While a school may choose to calculate preliminary Basic Grant awards based on an estimated eligibility index received from one of the agencies participating in the Basic Grant application process, it is of course possible that the eligibility index calculated by the Basic Grant processor is slightly different or that a student's official Basic Grant record will be based on the submission of a different agency's form. Thus, the school must be sure that, when a student's final award is calculated, it is based on the eligibility index from the appropriate official record. Rosters and tapes contain only information from the most recent official record for each student.

ORDERING 1980-81 BASIC GRANT MATERIALS

We have notified postsecondary financial aid administrators, high school guidance counselors, library officials, TRIO project officers, and State scholarship agency presidents that 1980-81 Basic Grant materials are available, and we have provided forms to order these materials.

Postsecondary financial aid administrators were sent an Application Order Form that permitted them to order boxes of 100 Basic Grant Application Forms. We sent these boxes directly from the printer before Christmas, and they should arrive by the end of January. In each box of applications is a reorder card that can be used to order materials other than Basic Grant Application Forms.

High school guidance counselors and interested offices other than financial aid offices were sent letters in November allowing them to order all the Basic Grant materials. Staff at the Basic Grant processing center in Iowa began filling these orders at the end of December. If you ordered materials on the form we sent you by Christmas, you should receive your order no later than early February.

Last year we began mailing orders for Basic Grant materials six weeks later then we will be this year. In addition, we experienced problems with delivery through the U.S. Postal Service (USPS) last year. We have contacted USPS in an attempt to improve the quality of mail service this year. We expect that your materials will arrive much sooner than last year. However, please be patient. We are doing our best to provide you with the forms you need as soon as possible.

If you need 1980-81 Basic Grant materials other than items you have already ordered, please fill out the attached order form. Please do not place a second order for the same materials you ordered earlier unless you have allowed six weeks for the materials to arrive.

Thank you for your cooperation. I look forward to a successful application process in 1980-81.

Sincerely,

Thomas A. Butts
Acting Deputy Commissioner for
Student Financial Assistance

Attachments

1980-81 Student Eligibility Report

Basic Educational Opportunity Grant Program

1. Comments

FORM APPROVED
FEDAC NO.: R 94
APP. EXP.: 11/81

CONFIDENTIAL

FOR SCHOOL USE
FC

2. Information from Your Application

1. Student's Last Name	2. First Name	3. M.I.	4. Social Security Number	5. Date of Birth

6. State	7. Citizenship	8. Marital Status	9. Bach. Deg. by 7/1/80?	10. Year in College	11. Dates Aid Requested

12. Student lives with parents for more than six weeks in . . . 1979? . . . 1980?
13. Parents claim student as an income tax exemption in . . . 1979? . . . 1980?
14. Student receives more than $750 support from parents in . . . 1979? . . . 1980?

	15. Household Size	16. No. in College	17. Marital Status	18. Age	19. State	Data Released to: 20. State	21. College

22. Tax Return Filed	23. Tax Figures Are	24. Exemptions Claimed	25. 1979 Adjusted Gross Income	26. 1979 Income Tax Paid	27. 1979 Itemized Deductions

1979 Nontaxable Income: 28. Social Security	29. Other	30. Income Earned by	31. Income Earned by	32. Expected 1980 Adjusted Gross Income

33. Medical/Dental Expenses	34. Elementary/Jr. High/H.S. Tuition	35. Cash/Savings/Checking	Expected 1980 Nontaxable Income: 36. Social Security	37. Other

Home: 38. Value	39. Debt	Investments/Real Estate: 40. Value	41. Debt	Business/Farm: 42. Value	43. Debt

V.A. Educ. Benefits: 44. Monthly Amt.	45. Months	Social Security Benefits: 46. Monthly Amt.	47. Months	48. Other Nontaxable Income (incl. spouse's)

Student's Taxable Income: 49. Summer	50. School Year	Spouse's Taxable Income: 51. Summer	52. School Year

53. 1979 Income (incl. spouse's)	54. Savings/Assets (incl. spouse's)

55. Date Signed	Signed by: Student	Parent

3. SCHOOL USE ONLY

1. Total Student Cost	2. Eligibility Index	3. Scheduled Basic Grant	4. Expected Disbursement
$			

5. Expected Number of Months in School (7/80-6/81) _____
6. Enrollment Status ☐ Full ☐ ½ ☐ ¼
7. Date Enrolled _____ Month _____ Day _____ Year
8. Attended BEOG ID Number _____

SCHOOL: I certify that payments are made according to regulations for the Basic Grant Program, instructions in the Basic Grant Handbook, and the 1980-81 payment schedule.

Signed by _____ Date _____

School Name _____

City _____ State _____

4. Certification

All the information on this Student Eligibility Report is true and complete, to the best of my knowledge. If asked, I agree to give proof that this information is correct. I understand that this proof may include a copy of my U.S. or State income tax return.

Sign _____
Student

_____
Spouse

_____
Parent

Date ___ ___ Month ___ ___ Day ___ ___ Year

OE FORM 255-1

Basic Grant Application Form

1980-81

FORM APPROVED FEDAC NO.

No grant may be awarded unless a completed application form has been received (20 U.S.C. 1070a (b) (2))

WARNING

If you use this form to establish your eligibility for federal student aid funds, you should know that any person who makes false statements or misrepresentations on this form is subject to a fine or to imprisonment or both, under provisions of the United States Criminal Code.

Read instructions carefully as you fill out this form.

Section A Student's Information

1. Student's name — Last (9-21) | First (22-30) | MI (31)
2. Student's permanent mailing address (see State Code List, page 4) — Number and Street (32-50)
   City (51-73) | State Code (3(1) (8-7)) | Zip Code (8-12)
3. Student's social security number (13-21)
4. Student's date of birth (22-27) — Month | Day | Year
5. Student's State of legal residence (28-29) — State Code

Fold

6. The student is: (30) (a) ☐ a U.S. citizen (b) ☐ an eligible noncitizen (see instructions) (c) ☐ neither of the above (see instructions)
7. The student is: (31) ☐ unmarried ☐ married ☐ separated
8. Student's year in college during 1980-81: (32) ☐ 1st (freshman) ☐ 2nd (sophomore) ☐ 3rd (junior) ☐ 4th (senior) ☐ 5th (undergraduate) ☐ graduate or professional (beyond a Bachelor's degree)
9. Will the student have received a Bachelor's degree by July 1, 1980? (33) ☐ Yes (see instructions) ☐ No
10. During the 1980-81 school year the student wants financial aid: from (34-37) Month | Year to (38-41) Month | Year

Fold

Section B Student's Status

Read the instructions to find out who counts as the student's parent before you answer 11, 12, and 13.

		Yes	No		Yes	No
11. Did or will the student live with the parents for more than six weeks	. . . in 1979? (42)	☐	☐	. . . in 1980? (45)	☐	☐
12. Did or will the parents claim the student as an income tax exemption	. . . in 1979? (43)	☐	☐	. . . in 1980? (46)	☐	☐
13. Did or will the student receive more than $750 worth of support from the parents	. . . in 1979? (44)	☐	☐	. . . in 1980? (47)	☐	☐

If you answered "Yes" to any of the questions in Section B, you must fill in the green shaded answers.

If you answered "No" to all 6 questions in Section B, you must fill in the gray shaded answers.

Section C Household Information

Parents 3(1) (9-10)

If the student has a stepparent, read the instructions before going on.

14. The parents' current marital status is: (7) ☐ single ☐ divorced ☐ widowed ☐ married ☐ separated
15. The age of the older parent is (8-9)
16. The parents' State of legal residence is (10-11) — State Code
17. The total size of the parents' household during 1980-81 will be (12-13) ___ (Include the student, parents, and parents' other dependent children. Include other dependents if they meet the definition in the instructions.)
18. Of the number in 17, how many will be in college during 1980-81? (14) ___ (Include persons who will be enrolled in college at least half-time.)

Fold

Student (and Spouse) 3(1) (9-10) (12-13)

19. The total size of the student's household during 1980-81 will be ___ (Include the student, spouse, and student's dependent children. Include other dependents if they meet the definition in the instructions.)
20. Of the number in 19, how many will be in college during 1980-81? (14) ___ (Include persons who will be enrolled in college at least half-time.)

Section D Income and Expense Information

	Parents	Student and Spouse
21. A 1979 U.S. income tax return has been filed or will be filed	(15) ☐ Yes ☐ No	(15) ☐ Yes ☐ No
If you answered "Yes" to 21, go to 22. If you answered "No" to 21, skip to 28.		
22. The 1979 U.S. income tax return figures are (see instructions)	(16) ☐ from a completed return ☐ estimated	(16) ☐ from a completed return ☐ estimated
23. 1979 total number of exemptions claimed (Form 1040, line 7 or 1040A, line 6)	(17-18)	(17-18)
24. 1979 adjusted gross income (Form 1040, line 31 or 1040A, line 11)	$ .00 (19-23)	$ .00
25. 1979 total U.S. income tax paid (Form 1040, line 47 or 1040A, line 14a)	$ .00 (24-28)	$ .00
26. 1979 total itemized deductions (Form 1040, Schedule A, line 39, or write "0" if deductions were not itemized)	$ .00 (29-33)	$ .00
27. Expected 1980 adjusted gross income (see instructions)	$ .00 (34-38)	Skip to 28

OE FORM 255

Section D (continued on other side)

Section D (Continued)

		Parents	Student and Spouse
28. 1979 income earned from work by	a. Father (39) (40-44)	$ .00	a. Student 2(39) (40-44) $ .00
	b. Mother (45-49)	$ .00	b. Spouse (45-49) $ .00
29. 1979 nontaxable income a. Social security benefits (see instructions)	(50-54)	$ .00	(50-54) $ .00
b. Other nontaxable income (child support, welfare, etc.—see instructions)	(55-59)	$ .00	(55-59) $ .00
30. 1979 medical and dental expenses not paid by insurance	(60-64)	$ .00	(60-64) $ .00
31. 1979 elementary, junior high, and high school tuition paid (Do not include tuition paid for the student.)	(65-69)	$ .00	(65-69) $ .00
32. Expected 1980 nontaxable income (see instructions) a. Social security benefits	(70-74)	$ .00	Skip to 34
b. Other nontaxable income (child support, welfare, etc.)	(75-79)	$ .00	
33. **Student's (and spouse's) total 1979 income minus U.S. income tax paid (see instructions)**	4(1) (8-10)	$ .00	

Section E Asset Information

		Parents		Student and Spouse	
		What is it worth now?	What is owed on it?	What is it worth now?	What is owed on it?
34. Cash, savings, and checking accounts	(11-15)	$ .00		$ .00	
35. Home	(16-27)	$ .00	$ .00	$ .00	$ .00
36. Other real estate and investments	(28-39)	$ .00	$ .00	$ .00	$ .00
37. Business and farm	(40-53)	$ .00	$ .00	$ .00	$ .00
38. **Student's (and spouse's) savings and net assets**	(54-59)	$ .00		Skip to 39	

All students must fill out Sections F and G.

Section F Student's (and Spouse's) Expected Income

July 1, 1980—June 30, 1981

39. Social security benefits (Include only the student's benefits.) — 5(1) (6-8) Amount per month $ .00 — (9-10) Number of months

40. Veterans educational benefits (Include only the student's benefits from GI Bill and Veterans or Dependents Educational Assistance Programs.) — (11-13) Amount per month $ .00 — (14-15) Number of months

41. Other nontaxable income of student (and spouse) (Do not include student aid.) — (16-20) Amount for year $ .00

		Summer 1980	1980-81 School Year
42. a. Student's taxable income (Do not include student aid.)	(21-25) / (26-30)	3 months $ .00	9 months $ .00
b. Spouse's taxable income (Do not include student aid.)	(31-35) / (36-40)	3 months $ .00	9 months $ .00

Section G Institutions, Release, and Certification

43. Student's college for the 1980-81 school year (see instructions)

1. Name of School (41-42) — BEOG use only (43-46)
City — State Code

2. Name of School (47-48) — (49-52)
City — State Code (53-56)

44. I give the Basic Grant Program permission to send information from this form to

a. the financial aid agency in my State (57) ☐ Yes ☐ No

b. the colleges I listed in question 43 (58) ☐ Yes ☐ No

See the instructions. If you leave (a) or (b) blank, we will assume your answer is "No." If you answer "No" to (a), your State aid may be delayed.

45. Certification

All the information on this form is true and complete to the best of my(our) knowledge. If asked by an authorized official, I(we) agree to give proof of the information that I(we) have given on this form. I(We) realize that this proof may include a copy of my(our) 1979 U.S. or State income tax return. I(We) also realize that if I(we) do not give proof when asked, the student may not get aid.

Sign:

Student (59)

Student's Spouse (60)

Father (61)

Mother (62) (63-68)

Date completed

Month Day Year

Mail your form to: BEOG
P.O. Box B
Iowa City, Iowa 52240

Basic Grant Supplemental Form

1980-81 School Year

FORM APPROVED
FEDAC NO.: R 94
APP EXP: 11/81

No grant may be awarded unless a completed application form has been received (20 U.S.C. 1070a (b) (2)).

WARNING

If you use this form to establish your eligibility for federal student aid funds, you should know that any person who makes false statements or misrepresentations on this form is subject to a fine or to imprisonment or both, under provisions of the United States Criminal Code.

Read instructions carefully as you fill out this form.

Section A Student's Information

1. Student's name (1(1) (6-21)) Last (22-30) First (31) MI

2. Student's permanent mailing address (see State Code List, page 5) (32-60) Number and Street (61-78) City 2(1) (6-7) State Code (8-12) Zip Code

3. Student's social security number (13-21)

4. Student's date of birth (22-27) Month Day Year

5. Student's State of legal residence (28-29) State Code

6. The student is: (30) (a) ☐ a U.S. citizen (b) ☐ an eligible noncitizen (see instructions) (c) ☐ neither of the above (see instructions)

7. The student is: (31) ☐ unmarried ☐ married ☐ separated

8. Student's year in college during 1980-81 (32) ☐ 1st (freshman) ☐ 2nd (sophomore) ☐ 3rd (junior) ☐ 4th (senior) ☐ 5th (undergraduate) ☐ graduate or professional (beyond a Bachelor's degree)

9. Will the student have received a Bachelor's degree by July 1, 1980? (33) ☐ Yes (see instructions) ☐ No

10. During the 1980-81 school year the student wants financial aid (34-37) from Month Year (38-41) to Month Year

Section B Student's Status

Read the instructions to find out who counts as the student's parent before you answer 11, 12, and 13.

		Yes	No		Yes	No
11. Did or will the student live with the parents for more than six weeks	. . . in 1979? (42)	☐	☐	. . . in 1980? (45)	☐	☐
12. Did or will the parents claim the student as an income tax exemption	. . . in 1979? (43)	☐	☐	. . . in 1980? (46)	☐	☐
13. Did or will the student receive more than $750 worth of support from the parents	. . . in 1979? (44)	☐	☐	. . . in 1980? (47)	☐	☐

If you answered "Yes" to any of the questions in Section B, you must fill in the green shaded answers.

If you answered "No" to all 6 questions in Section B, you must fill in the gray shaded answers.

Supplemental Condition

You must read the instructions for this section.

If none of the conditions applies to you, then you have the wrong form. Fill out a Basic Grant Application Form instead.

	Parent(s)	Student/Spouse
A.	1(40) (49-52) Does not apply	3(40) (49-50) 1. (51-52) 2.
B.	(53-54)	(53-54)
C.	(55-56)	(55-56)
D.	(57-58)	(57-58)
E.	(59-64) Month Day Year	(59-64) Month Day Year
F.	(65-70)	(65-70)

Section C Household Information

Parents 3(1) 1(6)

If the student has a stepparent, read the instructions before going on.

14. The parents' current marital status is: (7) ☐ single ☐ divorced ☐ widowed ☐ married ☐ separated

15. The age of the older parent is (8-9)

16. The parents' State of legal residence is (10-11) State Code

17. The total size of the parents' household during 1980-81 will be (12-13) (Include the student, parents, and parents' other dependent children. Include other dependents if they meet the definition in the instructions.)

18. Of the number in 17, how many will be in college during 1980-81? (14) (Include persons who will be enrolled in college at least half-time.)

Student (and Spouse) 3(1) 3(6) (12-13)

19. The total size of the student's household during 1980-81 will be (Include the student, spouse, and student's dependent children. Include other dependents if they meet the definition in the instructions.)

20. Of the number in 19, how many will be in college during 1980-81? (14) (Include persons who will be enrolled in college at least half-time.)

Section D Income and Expense Information

		Parents	Student and Spouse
21. 1979 adjusted gross income		9(15) (19-20) $ .00	2(15) (19-20) $ .00
22. 1979 income earned from work by	a. Father	(21-25) $ .00	a. Student (21-25) $ .00
	b. Mother	(26-30) $ .00	b. Spouse (26-30) $ .00
23. 1979 nontaxable income a. Social security benefits		(31-35) $ .00	(31-35) $ .00
b. Other nontaxable income (child support, welfare, etc.—see instructions)		(36-40) $ .00	(36-40) $ .00
24. Expected 1980 adjusted gross income		(41-45) $ .00	(41-45) $ .00
25. Expected 1980 income from work by	a. Father	(46-50) $ .00	a. Student (46-50) $ .00
	b. Mother	(51-55) $ .00	b. Spouse (51-55) $ .00
26. Expected 1980 nontaxable income a. Social security benefits		(56-60) $ .00	(56-60) $ .00
b. Other nontaxable income (see instructions)		(61-65) $ .00	(61-65) $ .00
27. Expected 1980 medical and dental expenses not covered by insurance		(66-70) $ .00	(66-70) $ .00
28. Expected 1980 elementary, junior high, and high school tuition (Do not include tuition for the student.)		(71-75) $ .00	(71-75) $ .00
29. Student's (and spouse's) total 1979 income minus U.S. income tax paid (see instructions)		4(1) (5-10) $ .00	Skip to 30

Fold

Section E Asset Information

	Parents		Student and Spouse	
	What is it worth now?	What is owed on it?	What is it worth now?	What is owed on it?
30. Cash, savings, and checking accounts	(11-18) $ .00		$ .00	
31. Home	(19-27) $ .00	$ .00	$ .00	$ .00
32. Other real estate and investments	(28-39) $ .00	$ .00	$ .00	$ .00
33. Business and farm	(40-53) $ .00	$ .00	$ .00	$ .00
34. Student's (and spouse's) savings and net assets	(54-59) $ .00		Skip to 35	

All students must fill out Sections F and G.

Section F Student's (and Spouse's) Expected Income

July 1, 1980—June 30, 1981

35. Social security benefits (Include only the student's benefits.) — 8(1) (9-8) Amount per month $ .00 — (9-10) Number of months

36. Veterans educational benefits (Include only the student's benefits from GI Bill and Veterans or Dependents Educational Assistance Programs.) — (11-13) Amount per month $ .00 — (14-15) Number of months

37. Other nontaxable income of student (and spouse) (Do not include student aid.) — (16-20) Amount for year $ .00

	Summer 1980	1980-81 School Year
38. a. Student's taxable income (Do not include student aid.)	(21-25) 3 months $ .00	(26-30) 9 months $ .00
b. Spouse's taxable income (Do not include student aid.)	(31-35) 3 months $ .00	(36-40) 9 months $ .00

Fold

Section G Institutions, Release, and Certification

39. Student's college for the 1980-81 school year (see instructions)

1. _____ Name of School (41-42) _____ City State Code — BEOG use only (43-46)

2. _____ Name of School (47-48) _____ City State Code (49-52) (53-56)

40. I give the Basic Grant Program permission to send information from this form to:

a. the financial aid agency in my State (57) ☐ Yes ☐ No

b. the colleges I listed in question 39 (58) ☐ Yes ☐ No

See the instructions. If you leave (a) or (b) blank, we will assume your answer is "No." If you answer "No" to (a), your State aid may be delayed.

41. Certification

All the information on this form is true and complete to the best of my(our) knowledge. If asked by an authorized official, I(we) agree to give proof of the information that I(we) have given on this form. I(We) realize that this proof may include copies of my(our) 1979 and 1980 U.S. or State income tax returns. I(We) also realize that if I(we) do not give proof when asked, the student may not get aid.

Sign:

Student (59) _____

Student's Spouse (60) _____

Father (61) _____

Mother (62) _____

Date completed (63-68) Month Day Year

Mail your form to: Basic Grants, P.O. Box E, Iowa City, Iowa 52240

NATIONAL DISASTER AREA
ASSET ADJUSTMENT INSTRUCTIONS
FOR THE BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM

Basic Grant regulations allow a student who has already applied for a Basic Grant to correct asset data (such as how much a home or business is worth and what the debts are against them) reflected on the Student Eligibility Report (SER) if these two conditions exist:

1. The student or student's parents have suffered a loss of, or damage to, assets already reported to the Basic Grant Program; and

2. The loss or damage was the result of a national disaster that occurred in an area declared a National Disaster Area by the President.

Do not use this sheet until you contact the financial aid administrator at your college to make sure that this is the correct procedure to help you.

If you have already submitted a 1980-81 application and have received an SER, you may correct any asset data reported in blocks 35, 38 through 43, and 54 of Section 2 of the SER to reflect any losses which were due to a natural disaster occurring in an area declared a National Disaster Area by the President. The amount of all insurance claims which have been received to offset these losses should be reported on the SER as part of cash/savings/checking, block 35. For example, consider the case of a dependent student whose parents own a house valued at $40,000 with a $20,000 mortgage, and who have $5,000 in savings. A flood causes $15,000 damage to the house and a $10,000 insurance settlement in cash has been made against the disaster. The SER would be corrected as follows: home value (block 38) would be changed from $40,000 to $25,000 ($40,000 minus $15,000), home mortgage (block 39) would remain unchanged and cash/savings/checking (block 35) would be changed to $15,000 ($5,000 savings plus $10,000 from the insurance settlement).

In order for this change in asset data to result in a recalculation of your eligibility for a Basic Grant, you must:

1. Submit one copy of your SER with the necessary corrections;

2. Sign the certification in Section 4 of the SER;

3. Sign the certification statement on the back on this instruction sheet (Note: the same persons who signed the SER must also sign this instruction sheet);

4. Send both documents to the address given on the back of this instruction sheet.

CERTIFICATION STATEMENT ON REVERSE MUST BE COMPLETED

This procedure is designed to allow for corrections to asset data only. Other incorrect information may be corrected only if the SER contains clerical or arithmetic errors.

I, _____, _____, _____,
Name of student Date of Birth Social Security No.
hereby certify that I or the person(s) whose financial information was provided on my 1980-81 Basic Grant application experienced a loss of, or damage to, assets due to a natural disaster which occurred in

_____ on _____.
location - (city, county, state) date-(month, year)
I have read the preceding instructions and the additional information I am submitting is correct to the best of my knowledge.

_____ _____
Student Parent

_____ _____
Spouse Date

Submit this instruction sheet with the above section completed and one copy of your corrected SER to: BEOG, P.O. Box X, Iowa City, Iowa 52243.

*U.S. GOVERNMENT PRINTING OFFICE: 1980 311-222/2056 1-3

BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM

1980-81

Name _____

Address _____

_____

_____

	ENGLISH	SPANISH
BOXES OF 100 BASIC GRANT APPLICATION FORMS (Please indicate number of boxes, not number of forms)		
INDIVIDUAL BASIC GRANT APPLICATION FORMS		
INDIVIDUAL SUPPLEMENTAL FORMS		
INDIVIDUAL STUDENT CONSUMER'S GUIDES		
DISPLAY UNITS (CONTAINING 60 BASIC GRANT APPLICATION FORMS AND 60 STUDENT CONSUMER'S GUIDES)		

MAIL THIS REQUEST TO:

BEOG, P.O. BOX G, IOWA CITY, IOWA 52243